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Official Report of Debates (Hansard)

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F-22

Standing Committee on Finance and Economic Affairs

Fair Workplaces,
Better Jobs Act, 2017

Comité permanent des finances et des affaires économiques

Loi de 2017 pour l'équité
en milieu de travail
et de meilleurs emplois

2nd Session
41st Parliament

Monday 10 July 2017

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41^e législature

Lundi 10 juillet 2017

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Monday 10 July 2017

Lundi 10 juillet 2017

The committee met at 0935 in the Valhalla Inn, Thunder Bay.

FAIR WORKPLACES, BETTER JOBS
ACT, 2017LOI DE 2017 POUR L'ÉQUITÉ EN MILIEU
DE TRAVAIL ET DE MEILLEURS EMPLOIS

Consideration of the following bill:

Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts / Projet de loi 148, Loi modifiant la Loi de 2000 sur les normes d'emploi et la Loi de 1995 sur les relations de travail et apportant des modifications connexes à d'autres lois.

The Vice-Chair (Ms. Ann Hoggarth): Good morning. We are meeting this morning for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts. Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Are there any questions before we begin?

THUNDER BAY
CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): I'm going to call the first witness. Thunder Bay Chamber of Commerce, please come forward. Could you please state your name for the official record.

Mr. Jim Stadey: Good morning. My name is Jim Stadey.

The Vice-Chair (Ms. Ann Hoggarth): Just a second. Just a reminder to the audience that signs and political material cannot be displayed in this room. Thank you.

Would you start again, please?

Mr. Jim Stadey: Certainly. My name is Jim Stadey.

Mr. Nathan Lawrence: I'm Nathan Lawrence, and I'm with the Northwestern Ontario Associated Chambers of Commerce.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Go ahead.

Mr. Jim Stadey: Good morning. My name is Jim Stadey, and I'm the chair of the board of the Thunder Bay Chamber of Commerce, representing over 900 member companies with approximately 20,000 employees in

the city of Thunder Bay. With me today is Nathan Lawrence, president of the Northwestern Ontario Associated Chambers of Commerce, who represent over 2,000 member companies, from Kenora and Rainy River in the west to Marathon and Longlac in the east. We also have a number of members here with us in the audience today.

The Fair Workplaces, Better Jobs Act proposes numerous changes to the current labour and employment standards legislation, including:

- raising Ontario's general minimum wage from \$11.40 to \$14 per hour on January 1, 2018, and then \$15 an hour on January 1, 2019, followed by an annual increase at the rate of inflation;

- expanding personal emergency leave to include an across-the-board minimum of at least two paid days per year for all workers;

- ensuring three weeks' vacation after five years with a company; and

- updating employee scheduling rules, including requiring employees to be paid for three hours of work if their shift is cancelled within 48 hours of the scheduled start time.

These proposed changes will have an immediate, significant negative impact on many small businesses in Thunder Bay and across the northwest.

Mr. Nathan Lawrence: We applaud the spirit and the intent of the plan, and we recognize the importance of fair wages and working conditions. However, we feel the Ontario government has not considered the unintended consequences that the very short period of implementation will have on the most vulnerable employers.

The Ontario government's media release announcing these changes called it an "historic action to create more opportunity and security for workers with a plan for fair workplaces and better jobs." Regrettably, this legislation is being proposed without first analyzing the impacts to small business and the economy at large. We are pleased to have this opportunity to express some of the concerns of our membership on this vitally important issue, which we believe has the potential to lead to job reductions and business closures.

Mr. Jim Stadey: As one of the owners of Eat Local Pizza, I know first-hand how challenging this proposed legislation will be for small business, particularly in relation to the dramatic increase to minimum wage in such a short time frame. We're currently one of the most competitive pizza places in the city, and we calculate that our

labour costs would be increased by 42% to 48%. While we care deeply about our staff and want to help transition them to a higher wage, we in the service and retail industry cannot feasibly afford to bear the entire burden of this responsibility, especially all at once.

0940

The 22.8% wage jump in January 2018 is particularly concerning as it arrives on the heels of significant increases in electricity costs over the past five years, alongside the application of cap-and-trade, which has resulted in higher transportation and heating costs for Ontario businesses.

Sectoral pressures must also be taken into account. The service industry is struggling with dramatic swings in food costs, while retailers are facing a drastic restructuring of sales models to reflect continual growth in online shopping. These two sectors are already at risk.

In short, many of the business models developed to employ minimum wage workers are already struggling to keep their doors open. A 32% increase in minimum wage will absolutely result in a reduction of hours for some and in job cuts for others, as businesses consolidate and even close outright.

The chamber has been hearing directly from our members that the speed of implementation for increasing the minimum wage to \$14 within six months and then \$15 on January 1, 2019, is too much and comes too quickly for them to adjust. We have included a small sampling of comments received from local business owners in your package today, as appendix 1.

Mr. Nathan Lawrence: Our members are also specifically concerned about changes to employee scheduling processes. It is true that many businesses have very static operations that require minimal changes to scheduling within a short period of time. However, for those businesses that operate in a demand-driven industry or are affected by factors outside of their control, such as weather or global events, flexibility in scheduling is vital to ensuring their success. We believe that a one-size-fits-all approach to scheduling fails to recognize the diversity of Ontario's economy and will remove the flexibility that many part-time employees enjoy.

Mr. Jim Stadey: Our members are concerned that the government's proposed sweeping labour reforms will create job losses and business closures based not on competition and market resiliency but simply on how their businesses respond to this huge, unforeseen cost. Between resulting job losses, increased costs to consumer goods and economic hardship, this does not demonstrate fairness. Where's the fairness in increased costs to businesses in Ontario without providing promised relief within the scope of the impact in other areas to offset the burden?

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation.

We will begin questioning with the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, gentlemen, for joining us this morning. We appreciate you coming in.

You talked about a number of things when it comes to the effects that this could have on your business.

Did the chamber not call for a cost-benefit analysis before making a decision of this magnitude, on the part of the government?

Mr. Nathan Lawrence: Yes, the chamber has, both locally and at the provincial level. As a result of no economic review being completed, the Ontario Chamber of Commerce—which I believe is being actually announced today in a letter to the Premier—is moving forward, through their Keep Ontario Working coalition, and proceeding with an economic review of their own, which is expected to be put out in August.

Mr. John Yakabuski: The minimum wage, for example, has been tied to the consumer price index for the last couple of years and has risen accordingly. In the winter, the Premier made a statement on that, indicating that that was the plan and that they were very comfortable with increasing the minimum wage on that basis. Was the chamber consulted at any time about the possibility that this could be part of Bill 148 or the Changing Workplaces Review?

Mr. Nathan Lawrence: Not to my knowledge, no. The chamber is by no means advocating against a fair wage. Previously, when those changes were incremental and in line with inflation, it was manageable. We were able to plan for and adapt our businesses to that changing workplace cost. However, under the current circumstances, no, to the best of my knowledge, there was no consultation with regard to that drastic change that has just been announced as part of Bill 148. The biggest part, and our concern, is that implementation time frame. It's a big expense to swallow between now and the end of this fiscal year, and then another increase at the start of 2019.

Mr. John Yakabuski: In your submission you talked about how you're not opposed to seeing wages increase; it's the timetable. Would the chamber be prepared to offer a suggestion as to a timetable that would be workable and amenable to its members with respect to a minimum wage increase?

Mr. Nathan Lawrence: I believe you're going to see some of that conversation come out of the economic review report that the OCC is going to be completing with the Keep Ontario Working coalition. That's expected out in August.

I believe the chamber network would be very comfortable with having conversations about that implementation time frame.

Mr. John Yakabuski: I see, as part of your submission, that you mentioned how the inflationary effects could affect senior citizens who are on a fixed income and, some of them, only on government pensions—I don't mean "government" from employment; I mean "government" from Canada pension and possible supplements. Have you had much feedback from seniors on their concerns about how this could affect their ability to cope with the cost of living?

Mr. Jim Stadey: Some of the feedback that we have received has been around the fact that seniors existing on

a fixed income will obviously have less money to spend in that situation, as well as the fact that there may be employment situations that are negative for them, where they may not be able to work at that point.

Mr. John Yakubuski: You obviously represent a high number of businesses, as you indicated. On a member-to-member basis, what percentage of your membership has indicated that they're very concerned or somewhat concerned about the changes in this—and I apologize, but we're pretty much focusing right now on the minimum wage because that's the one that the chamber has been most vocal on, because the effect of it is quite immediate—January 2018, of course.

Mr. Jim Stadey: Absolutely. From our perspective in Thunder Bay, I don't think that we've run across a chamber member who isn't very concerned about this.

Mr. Nathan Lawrence: Our team has done a phenomenal job of connecting with our local businesses, both in Thunder Bay and across the region. I personally have received comments privately from business owners, three of which have told me that they'll be closing shop before January 1 and—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move now to the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here today.

Could you provide me with a little more information on the rest of the bill? I've heard what you've had to say with respect to the minimum wage and that you're awaiting studies from the chamber. You talked a bit about the flexibility piece in scheduling. Are there other areas of the bill that are concerning to you?

Mr. Nathan Lawrence: There are a few areas; one obviously being minimum wage and the implementation time frame regarding that, which we've talked about. Scheduling is another large component for small businesses, especially in the restaurant industry or in industries—we have a large tourism industry here, and changes to scheduling that are required as a result of things like the Blues Fest that just happened this weekend and the demand that those bring in on very short notice. Those are some challenges that we have concerns about.

We also have concerns regarding how the changes with respect to equal pay for equal work are going to impact part-time or student employment or employment of those who are going back to work post-retirement to earn additional income. When you've got part-time employment, which really is designed as an entry-level opportunity—but when you have a large organization that is now required to pay well above minimum wage for an entry-level position to be in line with comparable work in other departments, if they're part-time and even just fill-in staff, those are issues that are not being broadly discussed at this particular point but have the potential to have significant impacts on our education system, on our business environment, and especially on things like youth or entry-level employment opportunities.

Ms. Cindy Forster: Has your chamber, specifically, done any of its own research or studies on the impact

directly here in this area? In Niagara—that's my neck of the woods—they've recently just completed a study on a living wage proposal and, in Niagara, say that a family of four would have to be earning \$17.57 an hour to actually have a living wage. I wonder if you've conducted any similar studies here.

0950

Mr. Nathan Lawrence: We have not conducted and actually gone out and had somebody do a proper study. We're working with the Ontario chamber on the project they're doing across the province, given that it's a provincial issue.

However, the chamber here in town has done significant outreach to our members on the impact that it's going to have on their day-to-day business and operations.

Ms. Cindy Forster: Right. Now there are studies out of California and studies out of Seattle that actually show that raising—and I hear that you're not opposed to raising the minimum wage; you're just opposed to the short implementation period.

Mr. Nathan Lawrence: We're concerned with the—for a lack of a better choice of terms—irresponsible way in terms of how it's being implemented and being forced onto small and medium-sized business. We are, as a province, forgetting that small and medium-sized business are a huge driver of this economy. These individuals take great personal risk when running a business. Especially in Thunder Bay—I can't speak for other communities, but our business owners in town take significant pride in their ability to provide employment opportunities and give back to this community in a lot of different facets.

Taking, over a period of 18 months, a 32% increase just to minimum wage—we're not talking about the other implications that are going to come along with the driving of costs. Taking that and imposing that on business will put business in a position where they now have to make tough decisions about the staff that they employ, the students that they support—and, as well, for the countless community organizations that do phenomenal things for this community, the amount of money they're able to actually provide back into the community through other efforts.

This is going to have a big impact on small and medium-sized business and on people who take great pride in doing great things in this community. Especially with regard to minimum wage, they haven't been listened to, unfortunately.

Ms. Cindy Forster: I heard you speak about hydro costs and the impact of the hydro increases. What percentage of expenses, would you say, in the last year or two years has that increase in hydro taken up?

Mr. Nathan Lawrence: Jim—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

We move now to the government's turn. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, gentlemen.

Mr. Nathan Lawrence: Good morning.

Mr. Peter Z. Milczyn: Thank you for coming in this morning. We really appreciate you taking the time to share your and your members' concerns with us.

I want to talk to you about some of the points that you've raised. You've spoken about your concerns regarding the minimum wage. You will recall that, a couple of years ago, our government brought in legislation that made increases to the minimum wage on a regular basis, on an annual basis, tied to inflation, which is something that had never been done before in the province.

Though I wasn't an MPP years ago, I do recall that every time the government proposed to increase the minimum wage, there were some businesses that would come out opposed to it, saying, "Too much, too soon." Not to put that—it's not exactly the same situation that we're talking about now, but there is always some of this pushback. We try to eliminate that and depoliticize it.

A couple of years ago when we did bring in these changes to the minimum wage mechanism to make sure that it goes up on a regular basis, there were those who said that it really should be \$15 an hour and that it's not enough. I believe MPP Forster made some comments about that.

One of the things that we're looking at in an economy that's growing as well as Ontario's is growing right now—job growth is coming up; the unemployment rate is dropping so the employment rate is going up. By raising the minimum wage, those workers who will benefit directly from the increase—I don't assume that they're going to be socking it away in bank accounts in the Cayman Islands or setting up TFSA's or any of those things. They will be spending it immediately in their local community, most likely with small and medium-sized businesses, to buy groceries, to buy clothes, pay for a tank of gas—whatever their daily requirements are. So all of that money will be going back into the local economy. Have you, as a chamber of commerce, considered what the economic impact of increased disposable income would be in this community?

Mr. Jim Stadey: To speak to that, until there is a larger-scale study done on the economic impact, we can only go with what we've learned from talking to our individual members, right? From speaking with our members, who have access, obviously, to understanding exactly how their own businesses work, what we've determined is that they believe that it is unfeasible to be able to make those changes at that rate so quickly. While people specifically in Thunder Bay and the members that we've dealt with care absolutely for their staff and their well-being, and everyone wants to see a wage where everyone can live, work and spend, as you said, within their community—the issue isn't so much the change, which everyone believes in; it's the impact and the speed of the change itself, and the fact that it will result in such a negative situation for businesses to deal with because of the fact that it's so much so quickly.

The other side of that, when you look at how people will begin to spend that money within their community, is that if you've determined that this level is a living

wage and that until the moment it's implemented people haven't been able to access that yet—that would mean that technically we'd be defining them as not having a living wage yet, which means they've been living in a situation of debt. So if they were to make the amount of money that we're saying is the living wage, the first thing they would be doing is not so much buying groceries; it's potentially paying off student loans and credit cards.

As well, when people do begin to spend more, we can't assume they're going to be able to spend at the exact same rate and same pattern that they do within their community. There's no way to determine that. So for businesses, it's not so much the economic impact over time, which a lot of studies show a positive result for in different communities; the issue is the immediate impact, right? Within two weeks after implementation is when the first payroll bill comes in. Onward, it's the impact that we're going to see going forward. That's what everybody is really worried about.

Mr. Nathan Lawrence: If I may just add, we as a business community welcome regular, consistent, planned increases—

Mr. Jim Stadey: Absolutely.

Mr. Nathan Lawrence:—which was part of the change that was made back a number of years ago by your government. At no point during the fair workplaces review was a minimum wage of \$15 discussed, to my understanding. It's not part of the plan that was originally implemented that allows for consistent planning for businesses. That immediacy is a big challenge.

With respect to recent job numbers—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. I'd just remind you that if you have a further written submission you'd like to make, you can send it to the Clerk of the Committee. The deadline is 5:30 p.m. on Friday, July 21. Thank you.

Mr. Nathan Lawrence: Wonderful. Thank you very much, everybody.

Mr. Jim Stadey: Thank you very much.

NORTHERN ONTARIO SCHOOL OF MEDICINE FACULTY AND STAFF ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): Next presenter: Northern Ontario School of Medicine Faculty and Staff Association. Will you please state your name for the official record?

Dr. Geoffrey Hudson: Geoffrey Hudson.

The Vice-Chair (Ms. Ann Hoggarth): Go ahead.

Dr. Geoffrey Hudson: Good morning. Thank you for this opportunity. I'm Geoffrey Hudson, an associate professor in the human sciences division at the Northern Ontario School of Medicine, which is the faculty of medicine for Lakehead and Laurentian Universities.

I'm a member of the school's faculty and staff association, founded 12 years ago, which includes a faculty bargaining unit which joined OPSEU. A support

staff unit joined later. The association also represents part-time faculty on a non-union basis.

I'm also the chief negotiator for the school's faculty unit, which represents full-time faculty: professional librarians, curriculum designers, and learner affairs officers—the student councillors. As such, I sit on the collective bargaining committee for the Ontario Confederation of University Faculty Associations. I'm also a delegate on the labour council.

As a fairly new union representing members in a medical school, I will be speaking to concerns related to certification and first-contract negotiations, as well as exclusions from the Labour Relations Act focusing on physicians.

First, with respect to organizing and certification, I was the full-time organizer on the McMaster contract faculty drive in 1988. We achieved automatic certification with over 55% signed. There was no need for a vote. The contract faculty had decided to unionize.

When I joined the medical school in 2004, I was the organizer. Well over 60% signed cards. Given the changes in the law since 1988, we were required to have a vote as well. Many expressed surprise. The second vote delayed things. They had already said yes.

1000

Mandatory balloting creates the same situation as it does in the USA. Lawyers and other consultants profit by trying to discourage workers from joining unions through the ballot.

You may have seen the Walmart labour relations slide deck online. There's a link to it in the presentation. Managers are told that it is legal to share their personal opinion, and then they are told what their personal opinions are. I quote: "For a Walmart associate, I think unions are a waste of money. You can speak for yourself." "I think unions have done a lousy job representing workers."

Bill 148 needs to be amended to reintroduce card-based certification for all workers and not just the few sectors mentioned in the bill.

Secondly, with respect to first-contract arbitration, we need access on demand, with no provision for the labour board to deny a request as per Bill 148. Automatic access to first-contract arbitration helps to create stability and positive relations between the parties at an early stage.

At our medical school, the support staff unionized in 2009. The next year, the new unit had the longest strike in Canadian university history—13 weeks—in part because first-contract arbitration was not there, not creating an incentive to achieve a first agreement without a work stoppage. There was no automatic access. The strike caused serious disruption during a critical period of our early development, and long-lasting negative labour relations. First-contract arbitration needs automatic access in Bill 148.

Third: the elimination of exclusions from the Labour Relations Act. It is shocking that a very significant Changing Workplaces Review final report recommendation is missing from Bill 148: the extension of the Labour

Relations Act to include domestic workers, hunters and trappers, agricultural and horticultural workers, as well as architects, dentists, land surveyors, lawyers and physicians. These groups will continue to be excluded.

I'm told the government seeks to delay consideration of the elimination of these exclusions. This is the wrong approach. Exclusions must be eliminated in Bill 148 now. The elimination of these exclusions is long past due. The federal government eliminated exclusions for professionals in the early 1970s. Exclusions run counter to the Canadian Charter of Rights and the International Labour Organization labour conventions, which Canada has ratified, with respect to freedom of association, collective bargaining and universality.

For physicians teaching in medical schools in Ontario, these exclusions mean they are forbidden from unionizing and gaining access to third-party arbitration if their academic freedom is violated—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Hudson.

Dr. Geoffrey Hudson: Yes.

The Vice-Chair (Ms. Ann Hoggarth): This round of questioning will begin with the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here, Mr. Hudson. Actually, we have a little history. You were organizing at McMaster, and then, in the later 1990s, I was organizing the nurses at McMaster hospital when there was no card certification left. In addition, it ended up at the labour board, with many, many issues over who was in and who was out. So I thank you for being here today.

This past year, I would say, or the past year and a half, there have been many, many long strikes here in the province of Ontario, some of them first-contract arbitration. One that comes to mind is CarePartners in Niagara, a private, for-profit community health agency where the owner of that business owned, I think, 12 or 14 CarePartners across the province. The registered nurses, the registered practical nurses and the clerical support staff were on strike, I believe, for as long as nine or 10 months, severely impacting community health care in Niagara and in Haldimand county and a number of places.

I think that some of the comments that you made are important with respect to first-contract arbitration, and how that assists workers as well as employers in getting quickly into a stable working relationship.

I'd like to hear some of your comments further with respect to the exclusions and the charter. I understand that last year or the year before, the RCMP went to court and were successful in becoming unionized. How does that decision impact continuing to exclude under this bill?

Dr. Geoffrey Hudson: It was pointed out in the Changing Workplaces Review report that that decision is very significant for exclusions—that the Supreme Court is now interpreting the charter rights in a way which is much more consistent with the International Labour Organization—and for the universality, that all employees should have a right to join a union and to also engage in collective bargaining that is effective.

In relation to this, I'm sure you know that Canada last month signed up to Convention 98, which is the right to organize and to bargain collectively, which the courts do take into consideration in their interpretations. The Mounties decision, and also the Canadian government's agreement to sign up to this particular convention as well as the convention it has already signed up to, changes the legal environment in such a significant way that the Changing Workplaces Review said that these exclusions can no longer stand.

So it's pointless, really, for the province to fight this in the courts and spend endless money, and for us to have ongoing consultations until the cows come home on this. We should just move on it and get on with it.

Ms. Cindy Forster: Do I have any more time?

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Ms. Cindy Forster: There is one section of the bill that is concerning me, and you may want to comment on this. It's the part where employees, during an organizing campaign, have the right, if they're terminated during that campaign, to go to the board to have a hearing. But under this legislation, that would only happen on the date that certification is proclaimed, as opposed to being able to go back during the campaign.

In my experience, often in campaigns, a number of people can be terminated. Those people wouldn't have access to go to the board. It would only be people after the vote.

Dr. Geoffrey Hudson: Yes. It would be much better to have just cause extended to employees once the application is submitted. This would also run in accord with the ILO convention that Canada just signed up to, which emphasizes the protection of unions in the organizing period, as well as other things.

I agree with you that—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Mr. Hudson. Thank you for coming out today. You touched on one aspect of Bill 148, and I'm going to get to that as well, but I wanted your views on some of the other aspects that we've heard a lot about: the need to ensure that temporary workers are treated fairly; that employers don't abuse the ability to hire temporary workers, to avoid treating people the same way as permanent workers; that the loophole should be eliminated. This bill will also address issues around paid leave days, and additional leave days for individuals who are either sick themselves or have to look after family members.

Looking at some of those issues, which I assume could be of benefit to your members or certainly to many other workers, what's your view on the progress that Bill 148 is making in those areas?

1010

Dr. Geoffrey Hudson: The faculty associations met last week, and we divided up the work, so you're going to hear from a lot of faculty associations about those kinds of aspects; in particular, the ones that touch on part-time and contract work. You'll hear comments that

various aspects of the bill are good and some suggestions for amendments for improvement. That will be coming from the faculty associations.

As you know, we're heavily involved in the Changing Workplaces Review. We're happy to be involved in this process as well. I'm not really prepped to talk on all the details of that, but you're certainly going to be hearing a significant amount about it and engagement from my colleagues.

Mr. Peter Z. Milczyn: In terms of some of the issues that you raised, through the Changing Workplaces Review, we heard a lot about the ability of workers to be able to join a union—to organize—and the importance of being able to make that fairly transparent, fair and easily accessible. We focused on some of the more vulnerable workers, those who perhaps don't have a particular building that they all go to for their employment: domestic workers, personal support workers and some of the others that I would classify as scattered workers—that it would have been much more difficult for them to unionize.

The steps we're proposing in Bill 148: Do you think they're going to help some of those most vulnerable workers be able to access union membership if they choose to?

Dr. Geoffrey Hudson: Well, you mentioned domestic workers, who continue to be excluded from unionization—

Mr. Peter Z. Milczyn: I didn't mean—

Dr. Geoffrey Hudson: You've hit the nail right on the head. You didn't mean it, but you opened it up and I—

Mr. Peter Z. Milczyn: Fair enough. I misspoke. I meant personal support workers.

Dr. Geoffrey Hudson: No, it's really serious. These are among the most vulnerable workers: females, racial groups. Domestic workers should be able to unionize. Why they can't is ridiculous, and I really encourage the government to rethink the exclusions, because you're affecting a lot of female workers, a lot of vulnerable workers, a lot of groups that need protection.

The exclusions are a real problem, both for the most vulnerable and also for physicians who teach in a medical school and who need to be free and have those protections to inform participants in a clinical trial of a risk identified during the trial. You remember the Nancy Olivier case. If physicians don't have access to unionization, this means faculty in medical schools who happen to be physicians cannot be in a union, which means they don't have the academic freedom protections.

On some of the other things that you mentioned: I think it's right to extend card-based certification to the other groups that you mentioned, and we're looking for a further extension to all workers. We had card-based certification for 50 years—good Conservative legislation. It worked very well for a long time. For some reason, we went to the American model. We should go back to the Canadian card-based model for all workers. It's great that you extended it to those groups that you are proposing—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have any further written submissions, they need to be to the Clerk of the Committee by 5:30 p.m. on Friday, July 21. Thank you.

Interjection.

The Vice-Chair (Ms. Ann Hoggarth): Oh, I'm sorry. I made my slip-up.

It is now the official opposition's turn, and it will be MPP Yakabuski.

Mr. John Yakabuski: It's going to be a long day if you've had your first slip-up.

The Vice-Chair (Ms. Ann Hoggarth): It is.

Mr. John Yakabuski: You only get one, you know.

The Vice-Chair (Ms. Ann Hoggarth): I'm just trying to shorten it for us.

Mr. John Yakabuski: Thank you very much for joining us this morning. I appreciate your presentation.

I realize there were only five minutes, so it's very difficult to cover all of the points, but you were focused very much on the first contract. In the legislation, it provides for a mediator if there's a failure to agree to a first contract. Just so that I can be clear, you're saying that not only should they allow for a mediator, but there should be an automatic clause to deal with an arbitrated first contract?

Dr. Geoffrey Hudson: Well, at the moment, Bill 148 provides for application for first-contract arbitration. There is provision for the labour board to say no, so this is the contention that the labour board should always grant it when it's petitioned.

Mediation along with arbitration is very good. It's important for both parties, because then you have experienced assistance and help. Often, you might have an employer who is not used to dealing with unions, and it's a new union, so having that third-party assistance is good for the public interest but also for the parties, to establish those good relations at the beginning, which is really beneficial for smooth running of businesses and public enterprise.

Mr. John Yakabuski: The other thing you talked about is card-based certification. Your position would be that any group should be allowed to organize, based on card-based certification, not a vote of any kind of card-based certification, and that that should allow them to be certified as a bargaining unit.

Dr. Geoffrey Hudson: Yes. You'd be familiar with the 50 years' kind of—where you could petition on a below-majority for a vote, but if you had 55% or more, you could get certification, based on your having the clear majority.

Mr. John Yakabuski: The clear majority.

Dr. Geoffrey Hudson: The clear majority, yes.

Mr. John Yakabuski: As you said, you were quite involved in the Changing Workplaces Review—your group, or maybe you personally; I don't know. You mentioned to Mr. Milczyn that you—

Dr. Geoffrey Hudson: I made a presentation. All of the faculty associations were very engaged.

Mr. John Yakabuski: Very involved. Can you give me any insight—the chamber was here earlier—why the minimum wage was never discussed in that review, yet it came out in the legislation? Can you give me an idea of what might have prompted that, if it was never discussed in the review, and why wasn't it discussed in the review and then, all of a sudden, it's part of the legislation? Do you have any insight into that?

Dr. Geoffrey Hudson: I don't have that. Sorry. I don't know.

Mr. John Yakabuski: Okay. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Once again, thank you very much. If you have further written submissions, you can get them to the Clerk by Friday, July 21, at 5:30. Thank you.

POVERTY FREE THUNDER BAY

The Vice-Chair (Ms. Ann Hoggarth): I'll now call our next presenter. It's Poverty Free Thunder Bay. When you sit down, please state your name for the official record.

Ms. Sara Williamson: Hello, and thank you very much for coming to hear the input of Thunder Bay. My name is Sara Williamson. I'm a member of Poverty Free Thunder Bay, which is a coalition of organizations and individuals who are advocating for change at all levels of government to eliminate poverty, not just reduce it—to eventually eliminate it. I will be responding to your questions afterwards.

We are focusing on the \$15 minimum wage and some of the other changes in the Employment Standards Act that would be of benefit to workers.

First of all, I want you to hear a story that my co-presenter, Angie Lynch, will share with you.

Ms. Angie Lynch: Hi. Good morning, and thank you for this opportunity. My name is Angie Lynch. I am a project coordinator with Anishinabek Employment and Training Services in Thunder Bay. We work with nine different First Nations communities in the Robinson-Superior Treaty area. Sara asked me to come this morning to relay a story about somebody that I work with who has benefited from a \$15-an-hour wage.

One thing I'd like to mention as well is that as an employer, Anishinabek Employment and Training Services has already taken a proactive approach, and we have written into our policies that we are paying \$15 an hour, that minimum, for all of our new employees.

I've worked as a social worker in the community of Thunder Bay for a number of years, primarily working with people who are living in poverty. It has been my experience that people get stuck in a cycle and it is very difficult to get out of, especially when you're living below the poverty line. There are issues with housing; there are issues with food security; there are issues with mental health and addictions. It's very difficult to address when you have no money to go out and pay the bills and provide yourself with stable housing.

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I have a story about an individual I started working with three years ago. When he first came to our organization, he was homeless. He was accessing food banks and staying at the Shelter House. His family was disjointed and living in different places because he wasn't able to provide for his children. He started working with us, in terms of taking some pre-employment training programs, life skills and a pre-apprenticeship training program. At the end of the programs that he participated in with us over a 12-week period, we ensured that he had a wage that was \$15 an hour, actually. As he went into a work placement, we ensured that he was subsidized up to \$15 an hour. As a result of that, he gained meaningful employment at \$15 an hour. He was able to provide his family with stable housing. In a very short period of time, they were reunited and able to live together because he was able to pay the rent. He was able to buy food, as opposed to having to access the food banks all the time—which also keeps them in that cycle; you can't go to work if you have to go to the food banks two and three times a week. From there, he purchased a vehicle. It's a used vehicle, but it gets his family around. He is now going into his second year of engineering at Confederation College.

It's my firm belief that without that stable income to help him address the barriers he was experiencing in his life, he wouldn't be at the position that he is in right now.

Moving forward, he is going to continue to have a strong ability to contribute to our economy as well as provide for his family. Not only that, it's empowering for him and it's empowering for his family to see the steps that he has made in a very short period of time, and I'm convinced that that's because he was provided with a minimum of \$15 an hour. I think it should be higher, but \$15 is a really good start.

That's my story. I just wanted to share that with you, because I've seen the benefits. This is one man's story, but I'm sure it's mirrored, and it will be mirrored and reflected back with a lot of the people who are living below the poverty level in Thunder Bay—and there are a lot of them.

Ms. Sara Williamson: In conjunction with that, I think one of the things that's important, and it's partially addressed in the bill, is the enforcement of the legislation. It's very important.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. This round of questioning will begin with the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Ms. Williamson and Ms. Lynch. Thank you for coming out today and sharing those stories.

The first question I want to ask you is what the impact of the minimum wage could be immediately. You started touching upon it. We heard earlier this morning from the chamber of commerce that it might not have that much of an impact on disposable income because people might be using it to pay off debt and do other things rather than pay for daily requirements with it. What do you think

would be the immediate impact for people of the increased wages?

Ms. Sara Williamson: We did speak to people about that—and one that really sticks in my mind is a couple of women who are cleaners working several part-time jobs in order to keep their families afloat. We asked them, "What would you do if you had a wage increase?" They said, "We'd be able to feed our kids better. Teenagers drink so much milk; they have to have that." One of them is a single mom with a 12-year-old daughter. Her daughter said to her, "We're the poorest people in the world," because she couldn't have a cellphone and things like that.

I think it's human nature; you look at both things: "Yes, there are the bill collectors. We have to do something to keep that under control. But there are also things that we haven't had that we need"—even a vacation. The dream of a vacation was to get on a Greyhound bus and go to a campsite. What kind of a society are we if we don't care about the people first? They will be spending. They will be looking for—as you were saying, getting a used car so they're more accessible to jobs, because a lot of the jobs are outside—the buses won't get them there on time, and—

Mr. Peter Z. Milczyn: I don't want to interrupt you, but we have limited time. You mentioned that the money could go to buy a car to make it easier to go to work, and you mentioned a couple of ladies who are cleaners who are juggling part-time jobs. Would some of the other aspects in this legislation relating to scheduling of work, better protection of part-time workers—do you think those will also have an impact on people that you know in this community?

Ms. Sara Williamson: Yes, it should help. I can think of one story of a fellow who was working as a personal service worker. A lot of them put in for two different part-time jobs. Depending on where it is, it will pay more, and so they'll cancel—they'll call in sick or something. They'll forfeit the shift that they have at the lower-paying one if they get a call to the other one. When you're doing human services, that's not good for anybody. It's also really precarious in their own personal lives because you plan to take the family somewhere on a trip but you're always on call. Then you get this call to come in for one hour to look after—

Mr. Peter Z. Milczyn: So you're suggesting they might actually be better employees if things are a little bit more stable.

Ms. Sara Williamson: Yes, stability, predictability—have a real life.

Mr. Peter Z. Milczyn: Are you, overall, satisfied with what you're seeing in Bill 148—the whole breadth of recommendations? Is it what you were expecting or hoping for?

Ms. Sara Williamson: One of the things was enforcement, and that it shouldn't be up to the worker to have to lodge the complaint against the employer; there should be something more proactive.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll move now to the official opposition. MPP Yakubuski.

Mr. John Yakubuski: Thank you, Sara and Angie, for joining us this morning. Sara, I think we'd all share your view that we'd all love to see poverty eliminated. It has been something we've been collectively working on since Confederation, probably, and we haven't been very successful up until this point. But nevertheless I think it's something we all aspire to see here in this country and certainly in Ontario.

You talked about a fair wage. I assume you were here when the chamber spoke as the first deputant this morning. One of their concerns that has been levelled out there is that the very people that you're talking about, the people that need to have a better job—they're concerned that some of their members have indicated clearly that if they stay in business, they're going to eliminate some of those jobs. There are going to be job losses because of the pace at which the legislation is dictating the move to \$15 an hour. I understand that there's probably nobody out there that's a greater advocate for \$15 an hour than yourself, but do you have any thought that the chamber—

Ms. Sara Williamson: I don't think—

Mr. John Yakubuski: Could I ask the question?

Ms. Sara Williamson: From what the studies are showing, I don't see that there's going to be a significant overall job loss for people—that if some businesses are unable to sustain all the staff that they've had, there's going to be demand elsewhere for those services and goods, and people can go to the jobs elsewhere.

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That seems to be the most recent study on labour relations from the University of California Berkeley institute. They used the US labor bureau statistics, and it showed that even with the increase in the minimum wage in Seattle, there wasn't significant job loss, partly because a lot of employers do pay above minimum wage. We have that in Thunder Bay also. Some of the young entrepreneurs start off and they say, "I'm going to pay my employees a decent wage because I value them, I invest in them, and they will stay with us."

Mr. John Yakubuski: One of the other concerns that has been brought forward is that those employees who are making \$15 an hour or more today—and the minimum wage would go in a very quick way to \$15 an hour—

Ms. Sara Williamson: Well, this is all speculation—

Mr. John Yakubuski: Could I ask the question, if you don't mind?

Ms. Sara Williamson: Okay, sure.

Mr. John Yakubuski: Thank you, Sara.

Everything is speculative. Even studies are speculative because they're indicating or they're predicting, correct?

If those things actually happened, where a number of employees then said, "Well, I was making \$15 an hour, but if you're going to hire so-and-so off the street and pay them \$15 an hour, I think with my tenure here and my experience, I'm worth \$18 or \$19," or whatever the

number might be—do you think there's any validity to that happening, to that concern?

Ms. Sara Williamson: Undoubtedly, business models may have to be adjusted. That's the way of the world. They have to adjust to globalization and so on. But I think we have to look, as a society, at what we are constructing here. The economy is basically an exchange of goods and services among people. How it's done depends on the values of our society. If our values are for people, then we don't do it so that part of the people survive on the backs of people living below the poverty line. That's not the way—

Mr. John Yakubuski: But one economy cannot insulate itself from another, either. You can't build walls around your own economy. We do have to recognize that it is a world economy, so you can't have one set of rules—

Ms. Sara Williamson: Yes, but you can make fairness, you can have fairness, and that means giving people enough to live on so that nobody is below the poverty line.

Mr. John Yakubuski: I totally agree with that. I'm worried about the chamber's view on the effect of it in the short term.

Would you consider it feasible to extend the term of the implementation?

The Vice-Chair (Ms. Ann Hoggarth): Excuse me, the time is up for you right now.

We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you both, Sara and Angie, for being here today.

You haven't really gotten a chance to go to the other parts of the bill. I know that you're here on the fair-wage piece, and certainly we are all concerned about the poverty issues. We also know that if people were earning \$15 an hour, we would probably see an improvement in people's health; we would see a reduction, probably in health costs; we would see reductions in Ontario Works costs and all of those other kinds of social services programs that are in place today to make up that gap of people who continue to live in poverty.

We know in other jurisdictions—like in Alberta, for example, during boom times, Tim Hortons was advertising \$17 an hour when I was there 10 years ago for somebody to actually go in and work in Tim Hortons. So when the economy is good, business finds its way to pay and still make some profits, right?

I guess my question to you is, are there other parts of Bill 148 that you think can be improved with respect to people living in poverty, workers working at minimum wage?

Ms. Sara Williamson: As I was starting to say before, there should be a lot of importance put on the enforcement end of it. That's so that workers have a safe way of enforcing the rights that they have under this new legislation as well as the past one.

We've got a story of a person who was working in a fast-food call centre, and the supervisor wasn't allowing them to have any breaks for their seven-hour shift. They

weren't supposed to go to the washroom; they weren't supposed to eat or check their Facebook pages and so on. They were afraid to say anything until they'd left their job, and then they didn't bother because they went somewhere else. But some of them aren't leaving because they have to stay.

I think that that falls in with making it easier for people to unionize. I know that the bill suggests increasing the number of people working on the employment standards, but having a union there gives another party to help address the rights that workers are entitled to, and deal with complaints.

It's really important that it shouldn't have to be the worker who has to go to the employer and complain to the employer and so on, and that there can be some kind of investigation by the employment standards people, because they have the experience on how to go at it. An employee doesn't know how to deal with the runarounds and the nature of the bureaucracy of getting information together. So, yes, that's one of the things.

Then, of course, you've heard quite a bit about this, but the exemptions seem really irrational, with the liquor servers being exempted from minimum wage because they get tips. They don't always get tips. They get slow shifts; they get tables that don't give tips. They work in establishments where people only have money to spend at the end of the month. I'm sure there are lots of people here in the room, and possibly at the table, who have worked in liquor service at one time or another in their lives. The only thing that's changed—and I know we had to share with the bartenders—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Ms. Williamson. Time is up. I would remind you, if you have a written submission you would like to put in, that you send it to the Clerk before 5:30 p.m. on Friday, July 21.

Ms. Sara Williamson: Thank you. We will be.

THUNDER BAY AND DISTRICT LABOUR COUNCIL

The Vice-Chair (Ms. Ann Hoggarth): At this time, I'd like to call the next presenter, the Thunder Bay and District Labour Council. Please state your name for the official record, and you have five minutes.

Mr. Carlos Santander-Maturana: Carlos Santander-Maturana.

Ms. Marg Arnone: I'm Marg Arnone. I'm secretary to the labour council. I'm also a school board trustee here in Thunder Bay. Good day.

Mr. Carlos Santander-Maturana: Good day. My name is Carlos Santander-Maturana. I am the current president of the Thunder Bay and District Labour Council, an organization composed of 49 unions representing over 25,000 members in the city of Thunder Bay and surrounding area.

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I would like to begin by thanking you for the opportunity to share with the Standing Committee on

Finance and Economic Affairs our concerns regarding the Fair Workplaces, Better Jobs Act, 2017. I will begin by commending the government for initiating the task of reviewing and modernizing existing labour legislation to better reflect the current labour force and economic realities in Ontario.

The provisions in Bill 148, such as equal pay for equal work for part-time workers and temp agencies, regulating improved scheduling practices, making it easier for workers to join a union, and others, are extremely important for the well-being of workers in our province.

Ms. Marg Arnone: While all those improvements are commendable and need to be applauded, there are some fundamental areas that were not given due consideration.

The Supreme Court of Canada recently recognized that the right to associate and pursue collective workplace gains is a fundamental right, protected by the Charter of Rights and Freedoms, that every Canadian shall enjoy. In our opinion, Bill 148 is not extending the ability to exercise that right to belong to a union to a class of very vulnerable workers that indeed need such collective protection offered by a freely negotiated collective agreement with an employer. I am referring to domestic workers and agricultural and horticultural workers, a very vulnerable sector of workers not covered at all by the Labour Relations Act.

A fair workplace act must remove all exemptions to the Labour Relations Act to truly become a serious piece of legislation intended to provide fairness and equity to the provincial labour force.

Mr. Carlos Santander-Maturana: Another problematic area for our members is card-based certification. Bill 148 limits automatic card-based certification to a small segment of the labour force. Legislation should facilitate the ability of workers to join a union and erase barriers preventing workers from accessing their right to belong to a union and to engage themselves in a free collective bargaining process with their employers. To retain restrictions in our labour legislation seriously limits the ability of thousands of vulnerable workers—women, youth, newcomers and racialized workers—to exercise their freedom-of-association rights. It is imperative that the proposed legislation remove all barriers and facilitate the ability of workers to join a union of their choice. Denial of the extension of card-based certification to all sectors may allow some employers to drastically interfere with the decision of workers to seek union representation by a variety of means at the employers' disposal. We believe that amendments should be introduced to remedy that weak area of the proposed Bill 148.

Ms. Marg Arnone: Bill 148 needs to guarantee better access to automatic first-contract arbitration. Under the current tabled bill, Bill 148, the bargaining agent does not have the ability, under the authority of the Ontario Labour Relations Board, to access first-contract arbitration if the employers are bargaining in bad faith to avoid reaching a collective agreement, circumventing the legitimate desire of workers to be represented by a union to develop collective bargaining powers.

Mr. Carlos Santander-Maturana: We believe that Bill 148 should extend successor rights, currently enjoyed by all public and private sectors when a business is sold, to subcontracted workers. Usually the business practice of subcontracting occurs in areas of the economy that employ some of the most vulnerable workers in our society: women, racialized workers, recent immigrants etc. Often, workers in a subcontracted business lose their collective agreement and their bargaining rights if the service contract covered in their work site changes ownership. Fair workplace legislation, as a matter of fact, should extend successor rights to all workers, not only those covered by publicly funded services and the building trades industry, as currently proposed by Bill 148.

Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up. We'll go, at this point, to the PCs to begin.

Mr. John Yakabuski: Thank you very much, Carlos and Marg, for joining us today. I think your ask of the government in amending Bill 148 would be similar to Professor Hudson's, who spoke earlier with regard to the ability for persons to certify by card-based—you want that much broader than it is in the legislation.

Ms. Marg Arnone: Yes.

Mr. John Yakabuski: I understand that. It will be duly noted.

I did want to ask you, because you did specify other sectors that are exempted; specifically agriculture, for example. The nature of agriculture is very, very unique. You know the old saying: You have to make hay when the sun shines. Nobody invented that. It's absolutely axiomatic in the agriculture business, because you can't harvest in the pouring rain etc. Because of that, the agricultural sector has always sought and has always received exemptions on that basis.

I'm just curious—because sometimes you have to say, "It's going to be a 16-hour day," or, "Sorry, folks. We expected to be harvesting, but it just started raining and it's now expected to rain all day." How do you treat the agricultural sector if they're to meet all of the same obligations as someone else under this legislation? How can they operate under the same rules when they are so dependent on what Mother Nature throws their way?

Mr. Carlos Santander-Maturana: I think I am referring here, regarding the right of agricultural workers to be unionized and to belong to a union, as coming out of the Charter of Rights and Freedoms' right of freedom of association. The flexibility in order to run a business based on the weather, on the conditions during the harvest time, is an entirely different matter. There is going to be scheduling taking place in order to deal with those issues. But, as a labour organization, we are very concerned with the right of every worker to belong to a union. That's what we're focused on—

Mr. John Yakabuski: Okay, so you're being very specific on the right for them to organize, not the unique conditions that they have to work in.

Mr. Carlos Santander-Maturana: Exactly.

Mr. John Yakabuski: Okay. Thank you very much. I appreciate that. I appreciate the clarification.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster?

Ms. Cindy Forster: Thank you, Carlos and Marg, for being here today. You talked a little bit about successor rights. The government, as with card-based certification, is only targeting a couple of sectors. Can you tell us why it's so important for every worker in this province to have successor rights?

I know that certainly in my area, which had 20,000 factory jobs 20 years ago and today maybe has 1,000 at most in my particular riding, factories changed hands many times. During that process, where workers were unionized, of course there was agreement to take the union and its members when a new owner took over. But in sectors where there are no unions or where the new owner doesn't necessarily agree—can you comment on that?

Mr. Carlos Santander-Maturana: Certainly. I am referring in particular to the hospitality sector, where you are working in a hotel, doing some cleaning, subcontracting to the hotel. All of a sudden, that business is sold. A person coming from the Philippines or somewhere else in the world—usually racialized workers or women—is suddenly out of work. The new owner doesn't have to hire the same people, or they will hire them at a lower rate and so become competitive. Those issues are very important for successor rights because they are people whose livelihood is at risk when they are living in such precarious employment, and they don't have even the ability to keep the work for the following day when the business is sold.

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Ms. Cindy Forster: That also makes it difficult to actually unionize workers as well. You'll unionize them under one employer, and then, when the new employer takes over, you have to go out and unionize—

Mr. Carlos Santander-Maturana: A new application. It's always very difficult for a precarious worker, a racialized worker or women in particular in the most vulnerable areas of our economy to get organized to belong to a union and to retain membership with a union.

Ms. Cindy Forster: Yes. Certainly we support card-based certification, and we've probably tabled a bill every year in the Legislature since card-based certification was ended back in 1995 or 1996. I myself actually tabled a bill just a few months ago for first-contract and for card-based certification. I think it's an important piece to lifting up low-wage workers here in this province and to address and be a voice for workers in the workplace. Today, as we see a shrinking middle class, I think it's very important that workers have a collective voice in every sector and not just in a few targeted sectors.

Is there anything else that you wanted to add to your presentation today?

Mr. Carlos Santander-Maturana: There is going to be further information going to the Standing Committee on Finance and Economic Affairs with proposed changes

that we might have. We have up to July 21 for that purpose.

Ms. Cindy Forster: Okay.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. We'll now move to the government. MPP Milecyn?

Mr. Peter Z. Milecyn: Good morning and thank you for coming in and giving us your presentation and your comments.

I wanted to focus with you on what some of the changes in the bill will mean to members of the labour movement in your community and others who aren't unionized.

Simon Black, who is an assistant professor at Brock University, said that the proposed increase in the minimum wage is a huge victory for the labour movement and the working class because the minimum wage, as it stands now, is a poverty wage. Do you agree with that statement?

Mr. Carlos Santander-Maturana: Yes, I do. I think the minimum wage is the minimum standard. There is a movement in Canada for living communities wages. That's entirely different. It is the ability for someone to live in a particular community and live well. Minimum wage is, bottom line, how we need, as a decent society, to operate.

During the debate on the final report previous to Bill 148, there was a principle established by the two gentlemen who were coming across the province regarding what Bill 148 should be based on, and one of the principles was the principle of decency, what Canadians believe is decent to offer to workers and to anyone living and working in this province.

Yes, minimum wage is the bare minimum. There is room for improvement, and we are striving to achieve living communities. In Timmins it might be very different from someone working in St. Catharines, where the cost of food might be cheaper. It's very different in northern communities such as Kenora, Thunder Bay and Sioux Lookout, where you are going to need more resources in order to survive.

Mr. Peter Z. Milecyn: I'm very happy that you raise the point about how the Changing Workplaces Review was conducted and the input that was received all across the province during that very extensive and intensive process. Through that process, what we heard—and this is important in terms of the minimum wage discussion. What we heard was that there are a lot of precarious jobs out there, that people are struggling, in the employment that they have, with their working conditions, and that even with those working conditions being improved, they would still be struggling in those precarious jobs. It's out of that discussion, out of those stories that we heard, where the increase in the minimum wage came.

Would you agree that the other changes we are proposing in Bill 148 around scheduling of work, around paid leave days, around vacation entitlements, around union certification—all of those being important—that all of those, without an increase to the minimum wage,

would still leave a lot of Ontario workers struggling to survive?

Mr. Carlos Santander-Maturana: Absolutely. We have to remind ourselves that the number of people who have the right or who enjoy working in a union environment is very limited. There is a whole array of workers who have no representation, and they have no right to collective bargaining and to negotiate an agreement with an employer. Having a minimum standard, a minimum wage, certainly goes a long way in order to improve their living conditions. Other pieces of the legislation, such as making it easier to join a union, certainly will allow them to have access to a unionized workplace.

But we are not going to stop there. We need to do improvements to Bill 148, because there are so many empty spaces that need to be improved. There is always room for improvement. I am hoping that the government is going to take seriously the kind of input that labour organizations and other public organizations are providing during these hearings.

Mr. Peter Z. Milecyn: Thank you for your comments this morning.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. I would just remind you that the deadline to submit a written submission to the Clerk is 5:30 on Friday, July 21.

Mr. Carlos Santander-Maturana: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation.

RETAIL COUNCIL OF CANADA

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be the Retail Council of Canada. If you would please state your name for the official record.

Mr. Karl Littler: Karl Littler.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Go ahead.

Mr. Karl Littler: Good morning. Thank you for the opportunity to present the retail industry's views on Bill 148 and the proposed changes to Ontario's minimum wage.

Retail Council of Canada represents merchants of all sizes—small, mid- and large—including mass merchandise, grocery, pharmacy, fashion and specialized merchants in bricks-and-mortar stores and online. Our industry employs two million Canadians, being the largest private employment sector both nationally and in the province of Ontario.

Unfortunately, if the minimum wage hikes are enacted on the stated timelines, those employment numbers, already pressured by automation and foreign online sales, are likely to diminish.

Let me be clear. Our primary issue with the minimum wage change is not the absolute level, whether that be \$14 or \$15 an hour. Our biggest concern is the extreme pace of change to those levels. Simply put, businesses need time to adjust to major changes to their cost

structures. Make no mistake: A 32% increase in minimum wage is the greatest-ever single hike in our costs.

Our other input costs are typically fixed or rising, including occupancy—like rent or ownership—municipal taxes, and utilities. Payroll tax costs like EI, CPP and the employer health tax will actually increase as a result of this measure, because they're largely based on wages paid.

We could, of course, take a look at what we can do about the costs of goods, but those are typically covered by supply contracts that extend well beyond the \$14 hike in January and, in many cases, well past the \$15 hike in 2019. Even supposing that we try to renegotiate the cost of goods, there is a limit to what we can expect from suppliers, given Ontario's relatively small scale in the global supply chain.

That leaves only two areas that could conceivably be adjusted: prices and labour costs.

Aside from the impact of higher prices on those who will not benefit from the minimum wage changes, like seniors, the self-employed, those on social assistance and so on, there's little room for price increases anyway.

In retail, our primary competitors may not be down the block. They're increasingly likely to be over the border or overseas, shipping from warehouses in what are often lower-wage jurisdictions and with far fewer employees than work in Ontario stores and distribution centres.

If we do hike prices, we will see an acceleration of consumers shifting purchases to foreign online vendors, with a corresponding impact on Ontario jobs and economic activity generally. That's for the moment less true for grocers, but grocers also face a big impact from rising labour costs in their supply chains, being major purchasers of Ontario agri-foods and packaged foods whose producers will also be facing these minimum wage hikes.

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If other costs are fixed or rising, and if there's a price ceiling due to foreign competition, the only remaining thing that can give way is employment, whether in the absolute number of jobs or in the hours available. And one has to bear in mind who will be affected by these reductions. Retail is Canada's biggest provider of first jobs for youth and students, last jobs for the semi-retired and opportunities for new Canadians who are establishing their language skills, credentials and Canadian experience. It is typically in these stages that employees earn at or just above the minimum wage level as they transition to greater responsibility and compensation or into other activities altogether, and it is these employees who will feel the effects of the minimum wage changes. It becomes a tale of two distinct classes of employees: those will be happy to see a bigger paycheque, and those who will most definitely not be happy to see the loss of jobs, opportunities or reductions in hours.

Given adequate time to plan, these changes likely can be managed, but we simply don't have the levers in place to be able to absorb a 32% increase in a mere 18 months. To do this properly, there should be a reasonable ramp-

up to \$14 and then \$15. Yet Ontario is trying to pull this off far more quickly than in other jurisdictions.

In truth, if these end dates were inevitable, the government would have been far better to have started the process three years ago, even though that would have cost employers more, as it would have at least provided certainty and some time to plan and adjust. Instead, we have this eleventh-hour conversion from the government's own CPI-linked process. To be clear, it is the pace of change that is the problem here, with expedient politics seemingly overriding good public policy. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning begins with the third party. Ms. Forster.

Ms. Cindy Forster: Thank you, Mr. Littler, for your presentation. Do you have any insight or comments with respect to any other pieces of Bill 148 that you'd like to share with us?

Mr. Karl Littler: Yes. We're largely supportive of many of the measures in Bill 148. Partly that is enforcement against scofflaws and bad actors. We think that's a very important part of it.

We are certainly supportive of measures to ensure that workers receive adequate notice on the shift side. We actually suggested that in our original submission to the CWR process. Certainly it seems a matter of fairness that if employees are expecting a shift, there would be either a shift provided or compensation provided in lieu of that, so we support that.

We support the move in general to standardize the vacation after five years at three weeks. I mean, it's not universal across Canada, but that brings Ontario more into line.

There are a number of other measures. One has to remember that they all do carry costs, and that has to be viewed against the backdrop of the minimum wage change. So they're in a sense incremental.

We have been looking at the provision on part-time and full-time. As we understand it, it essentially says that all other things being equal, a part-time employee should be paid the same as a full-time. That we can support, but we want to make sure that there is still reasonable room for employers to recognize seniority, to recognize merit and to recognize volume of production. The implementation on that is probably the key issue for us, because that could conceivably be intrusive. Obviously we recognize that there have to be reasonable differentiation bases, but it can't be something that is arbitrarily in the hands of an MOL inspector. That one we'll see more in the implementation.

Ms. Cindy Forster: Do you have any sense of how long the average employee in the retail sector actually stays in the job? Because certainly it's been raised to me a number of times that many people working in retail or in other perhaps more precarious-type jobs will never see five years in that same job. In fact, many people won't ever see an increase to three weeks of vacation.

Mr. Karl Littler: Well, there is a significant differentiation within retail of different kinds. People who make careers in retail, both specialized careers and also general careers that progress into supervisory and managerial ranks—in fact, they're quite accelerated careers and accelerated access to higher compensation.

There are statistics on retail tenure. Unfortunately, I don't have them with me, but I could provide them, either through the Clerk or directly to you, because I do have some of that that's accessible. I'd be happy to do that.

Ms. Cindy Forster: Okay, that's great. You said the rate of change is too great. Do the companies that you're representing have any recommendation?

Mr. Karl Littler: There needs to be a clear concern about where this impact will bite. Our special concern is around those first jobs for students and youth. I think there has to be some consideration given to what prospects there are in that space, what prospects there are in those first jobs.

This has been done, if we can be frank, without a great deal of economic analysis or underpinnings, so it's a little difficult to sort of pick a date. But certainly we believe that this ramp should be smoother than it is. Obviously, some economic work on that point would be helpful.

Just to state quickly: The University of Washington study, which is a counterpoint to the California-Berkeley one, suggested that the first move in Seattle actually had a negligible effect on unemployment, but the second one had a very negative effect that was actually three times the negative impact on affected workers than the benefit that came through the increase. Clearly, the tranches and pace of movement have a material effect on outcomes.

Ms. Cindy Forster: Okay, thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Good morning, Mr. Littler.

Mr. Karl Littler: Good morning.

Mr. Peter Z. Milczyn: We met once in one of your previous lives.

Mr. Karl Littler: We did.

Mr. Peter Z. Milczyn: Nice to see you.

I was interested in your comments on the government's response to the Changing Workplaces Review in general. You indicated that your council is generally supportive of the move around fairer approaches to scheduling, vacation time and so on. It seems that we got those pieces right, you're saying. There's some concern about the implementation, but that is the next phase after passage of the bill.

Mr. Karl Littler: Yes. I think that the provision on extending the three-hour rule makes eminent sense. There is an offset in scheduling. Retail employees—especially part-time employees, but not invariably—require flexibility. That's particularly true for students who may have workflows that are not necessarily anticipated outside of their workplace. There are a number of other things that come up.

There has to be balance. Insofar as somebody needs the ability to take personal leave or to request leave outside of that context, then the employer needs the ability to ensure that they can fill that space with somebody who's willing to step in and take the shift.

To the extent that you mismatch the demand and supply part of that, if you like, then there's a concern. It's not that we have no concerns about the scheduling piece, but there are parts of it that we certainly can support, and we hope that it will be implemented in a way that is respectful of workers' and employers' mutual needs.

Mr. Peter Z. Milczyn: You mentioned balance, and I'm happy that you raised that issue because through this Changing Workplaces Review, which was a very extensive and exhaustive review of employment standards and labour laws, we had a lot of recommendations that came in. We heard that, essentially, all workers should be treated precisely the same.

But in one aspect of this, for instance, with the minimum wage, we're continuing to recommend that students, for instance—youth—would be subject to a lower minimum wage. We're trying to find some of those balances in there.

I heard your comments about the minimum wage and the pace of it, but do you think that this kind of measure of continuing to have some aspect of variable minimum wages is going to be beneficial to maintain some equilibrium in the system?

Mr. Karl Littler: I do think that that there is some justification for it. Typically, youth and student workers come to the job with less experience. I don't know whether there is an underpinning in there that looks also to what the likely expectations are on the expenditure side for those students.

But one of the great pressures in this case is going to be on summer jobs and on part-time jobs to support people through their studies. Any impact on that side is going to put some of those jobs at risk. Of course, they're critical decisions on a life basis to be able to undertake those studies and training and so forth. That, I think, is correct.

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I guess we have a concern, though, that even that is moving at a much more rapid pace than we think could be reasonably absorbed. We're less than a year out from next summer, with very substantial and pro rata increases in the student wage clause as well.

Mr. Peter Z. Milczyn: In terms of your sector, which is the sector that is very dependent on people's disposable income—hopefully, people generally don't have to go into debt to buy their groceries, although unfortunately some may have to. Do you see the benefit of an increase in disposable income for up to close to 30% of the workforce in Ontario?

Mr. Karl Littler: It will be variable by sector. I think we would be delusional to imagine that a lot of the mass merchandise—fashion, and so on—is not actually flowing to businesses outside Ontario. So I don't think

the notion that it will all be spent here is necessarily a safe one, especially in some subsets.

You can't buy gasoline by mail, so presumably it benefits the gas stations. Grocery: For the moment, at least, there's not a lot of online or cross-border, but on the other hand, they're also seeing very significant cost drivers through the supply chain, from agriculture to processing and then into their own space.

We will undoubtedly see some benefit of that additional income in the hands of Ontarians, but the pace at which that flows through, and whether it necessarily flows through to providers in Ontario, is considerably less clear.

Mr. Peter Z. Milczyn: Thank you, Mr. Littler.

The Vice-Chair (Ms. Ann Hoggarth): We will now move to the official opposition. MPP Yakubuski.

Mr. John Yakubuski: Thank you very much, Karl, for joining us today and for your submission. Clearly, the retail council has been considering their responses to this new legislation. Were you part of the Changing Workplaces Review?

Mr. Karl Littler: Yes, I appeared personally. We made two submissions: in the initial round, and then after the interim report came out.

Mr. John Yakubuski: That went on for some time.

Mr. Karl Littler: It did indeed. It was an almost-two-year process.

Mr. John Yakubuski: Was there ever a discussion about a change to the minimum wage during that review?

Mr. Karl Littler: No, and indeed, the mandate of the review specifically precluded the minimum wage from consideration.

Mr. John Yakubuski: So did this come as a bit of a surprise to your people when it was rolled into Bill 148—the changes in the workplaces?

Mr. Karl Littler: It did. We had heard rumours in the weeks running up to it, but, yes, it came very much out of left field.

Mr. John Yakubuski: Particularly when the Premier would have announced in February that she thought the process that was in place was more than adequate in dealing with the minimum wage.

Mr. Karl Littler: Yes. We followed some of those tweets, and there was a lot of support for CPI. By the way, we supported the CPI. We were part of the minimum wage review panel. It's something that we have advocated nationally. We think it's a fair measure, to tie it to an increase in prices. We're not one of those groups that squawked every time it went up. We thought it was a reasonable process and it depoliticized the process. Unfortunately, in this case, we think it's being repoliticized.

Mr. John Yakubuski: I recognize and I appreciate your support for fair scheduling and stuff like that. I was in the retail business. My parents were in it. We had one employee who came home, like my father, from the war and worked for us for over 30 years until he retired. We had another one that worked for us for 40 years until my wife and I sold the business in 2001. Some tenure in

retail can be quite long. We always recognized our employees as extensions of our own family. I know that there might be some views as retail, but I know that in our case, it was pretty close-knit. We would have always recognized that everybody has lives, and you've got to treat them accordingly and treat them respectfully within your place of business—and then they always work harder for you as a result of that, because they recognize that their success and your success are intertwined.

On the implementation and the timing of the minimum wage: Has the retail council a suggestion as to how this—because nobody can deny that if you're hit with a massive increase on one particular day, your business can't increase that much that same day. There's always a lag period as to when that revenue will start flowing again, if it does. Is there a suggestion from the retail council as to how this could be implemented so that their members would transition in a smoother fashion?

Mr. Karl Littler: Well, obviously, we were proceeding on the basis that this was continued CPI linkage. So this whole announcement is still relatively recent. Our view is that this is the sort of move that should have been done over a term of years, whether that be four or five years, and that it should have been done on a gradual basis. One could understand maybe if there was an initial boost, but this is something that, frankly, should have been a smoother ramp.

I think some of the academic work—and the economists disagree—particularly that University of Washington study, strongly suggests that a relatively smooth transition should have been the approach taken.

Mr. John Yakubuski: How many of your members have indicated that they are looking at significant job losses as a result of the quick implementation?

Mr. Karl Littler: It does vary. It varies a little bit by sector. I think the mass-merchandise side is particularly vulnerable given the penetration that's already happening from foreign online sales. That's obviously very distinct—border cities excepted—from something like gas stations. We have members whose cost estimates are into the hundreds of millions of dollars for the first year of implementation. We also have, obviously, small local merchants whose numbers are in the four- and five-figure zone.

Retailers will strive, to the extent possible, to try to continue to offer employment and hours to their employees, but some of them are simply not going to be in a position to offer as many hours as they did. If they can't raise prices and every other aspect of their costs is fixed or rising for the foreseeable future, something has to give. I think where there's a special—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Littler. Time is up. If you have a further written submission, please submit it to the Clerk by Friday, July 21, at 5:30 p.m.

Mr. Karl Littler: Thank you.

UNITED FOOD AND COMMERCIAL
WORKERS CANADA, LOCAL 333

The Vice-Chair (Ms. Ann Hoggarth): Our next presentation will be from the United Food and Commercial Workers Canada, Local 333.

Please state your name for the official record, and then you may begin.

Ms. Rosemarie Ross: I'm Rosemarie Ross. I'm shop steward for Local 333 in Thunder Bay.

Mr. Bob Linton: I'm Bob Linton, adviser to the president of Local 333.

On behalf of the members of UFCW Canada, Local 333, who live and work in the Thunder Bay region, we thank you for the opportunity to be here today and present our observations and concerns as they relate to Bill 148.

Local 333 is part of UFCW Canada, which is one of Canada's most diverse and progressive unions. With more than 250,000 members nationwide, most of whom live and work in Ontario, UFCW Canada and its members play a prominent role fighting for workers' rights and ensuring a better future for its members, their families and all Canadians. Local 333 members come from many walks of life and work in almost every sector of the hospitality and security industries throughout Ontario. From Windsor to Ottawa, from Thunder Bay to the shores of Lake Ontario and Lake Erie, you will find Local 333 members working and playing active roles in their communities.

We applaud the government on the introduction of the bill and the proposed changes it contains to the ESA and LRA to improve living and working conditions for workers in the province.

We also applaud the government for studying the fair-wage program to update the program to make it more relevant to today's workplaces, and ensuring that workers employed in the security guard industry and are working for private sector contractors and subcontractors who hold government contracts are receiving fair wages and labour conditions. We hope that, upon completion, this study will result in the government being a model example of what wages and working conditions should be in the security industry.

While both of these initiatives are worthwhile, it is our belief that the numerous improvements needed to face the challenges that exist in the security guard industry will not be realized with Bill 148. One of the most notable items contained in Bill 148 is the raising of the minimum wage to \$15 per hour by January 2019. While, overall, this will be beneficial to low-wage, precarious workers, it will do little to address the challenges facing workers in the security industry.

In Ontario, the Private Security and Investigative Services Act regulates the security industry but does little to protect workers in the industry. It provides licensing requirements, a code of conduct, uniform definition and regulations, general rules and standards of practice, information for the public on how to file a complaint, and

penalties for contravening the act. However, compared to legislation in Manitoba and Quebec, it does little to help retain well-trained and experienced workers in the industry, and thus does not address the needs or demands to ensure public safety in today's society.

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The result has been that most security guard agencies in Ontario not only pay minimum wage, but most don't offer benefits, breaks or safety equipment, and most security guard agencies require employees to pay for their own uniforms. Furthermore, to enter the industry, individuals must pay for their training and licence, which, combined with having to pay for uniforms, could cost someone close to \$1,000. Given the cost to just enter the industry, why would individuals take a minimum wage job risking their own health and safety?

This is another example of how the laws in Ontario respecting the security guard sector are hindering rather than helping to provide security to Ontario taxpayers and their families.

It is our belief that to help retain well-trained, experienced workers in this industry, a minimum wage for security guards above the provincial minimum wage should be established.

It is our understanding that Bill 148 allows for a trade union to apply for card-based certification in respect of a "specified industry employer," defined as an employer operating "a business in the building services industry," which would seemingly include businesses providing security services directly or indirectly by or to a building owner or manager.

Bill 148 also amends the government's regulation-making power under the LRA, allowing it to determine that certain employers are not subject to card-based certification. What is needed is a definition or a clarifying of the meaning of "building services industry." While this may be a progressive move, it would also appear that the definition of "security services," and what it means, is open to interpretation.

Today, with the ever-growing demand for public safety and security, the security guard industry provides more than just security services to buildings. We believe there needs to be a clear definition of the security industry, to ensure that all security guards in the province can become members of a trade union through a card-based certification process. For that matter, we also believe that all workers should be afforded the process.

Increasingly, as we witness crime in our cities and neighbourhoods, while governments struggle with limited budgets to deal with public safety and protection of property, we must ask ourselves this: Are there other ways of addressing these problems? When it comes to the protection of—

The Vice-Chair (Ms. Ann Hoggarth): Time is up. Thank you.

Mr. Bob Linton: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government for questioning. MPP Mileczyn.

Mr. Peter Z. Milczyn: Good morning. Thank you for coming out this morning and sharing your concerns. You've raised a very specific, narrow issue, which I certainly haven't heard raised before, around the security industry, so I thank you for that. I don't see any exclusion for the private security industry in here, so my assumption would be that they would be included in all the elements of the bill. But we can certainly get you clarification on that, and I appreciate your written submission.

As you mentioned, in the private security industry, there are primarily minimum wage workers with limited protections. Would you not agree, then, that this increase in the minimum wage is going to be a substantial benefit for those individuals who are in that industry?

Ms. Rosemarie Ross: Yes, it will. I believe it really will, because a lot of our members are just making minimum wage.

Mr. Peter Z. Milczyn: Okay. I also want to ask about some of the other changes in the legislation around union certification and so on. Would you also see those as being beneficial to the people working in the private security industry?

Ms. Rosemarie Ross: Yes.

Mr. Peter Z. Milczyn: Those people who work in hundreds and hundreds of locations don't have a common workplace; they don't necessarily see each other to be able to discuss. Your view would be that under this bill, those types of workers would actually benefit from the ability to unionize.

Ms. Rosemarie Ross: Yes.

Mr. Bob Linton: I think that if you look at the other jurisdictions, like Quebec, where they have the right to unionize but also the security guard industry is run by decree, it has been very beneficial to the workers in that industry.

Mr. Peter Z. Milczyn: Thank you very much for your submission and very valuable comments that we'll take back and consider.

The Vice-Chair (Ms. Ann Hoggarth): We'll move now to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Rosemarie and Bob, for joining us today. It seems like I'm just going to echo what the government is saying, because I would have thought that security would be part of the building services industry because that is generally what you do: You secure buildings and the people who are occupants and/or visitors to those buildings. Having said that, have you sought clarification on the bill as it stands? And have you determined that you are not included in that definition?

Mr. Bob Linton: Having just seen the bill and the announcements when it came out, that's one of the things that was red flagged by us. I guess we haven't sought clarification but that's why we raised it here today, to try and get clarification. Does it include everybody? You may have security guards—in some industries they just work at special events. It's not necessarily a building that they're working at.

Mr. John Yakabuski: Right.

Mr. Bob Linton: Someone could come and say, "Wait a second. We don't operate in buildings or building services; we should be exempt." We think it needs to be included—all security guards, or some clarification as to what it is.

Mr. John Yakabuski: Perhaps we can ask the researcher to see if we can get a better definition as to who is exempt and who is covered under the building services industry.

I appreciate you clarifying the broadness of the industry, that some things would be special events, outdoor festivals or things like that. You're not part of a building services in that capacity, so some clarification—let's just say for the sake of argument that it's clarified that you're not. What you're asking for is that you should have that ability to have card-based certification as a security industry; if you're not currently covered by definition, that you should be part of it. So you would be looking for an amendment to that effect.

Thank you very much for your submission today. I appreciate it.

Mr. Bob Linton: Thank you.

Ms. Rosemarie Ross: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Rosemarie and Bob, for being here today. You do raise an interesting question, and I think we do require some clarification, because clearly there are security guards in hospitals, in some schools, in malls, at triathlon races—

Ms. Rosemarie Ross: We're everywhere.

Ms. Cindy Forster: Everywhere; right? In some cases, those security guards are direct employees of a hospital but in many cases they're not. It's a security company actually coming in. The pay differential is significant, as well, for people who are often tussling in emergency departments or in malls over shoplifting and those kinds of things. I'm happy that you raised that question. Hopefully, we can get some clarity for that.

I know that UFCW also does a lot of work around migrant workers. Does this bill in any way assist that sector?

Mr. Bob Linton: It doesn't at this point. But I think it's been echoed here this morning that agricultural workers or migrant workers should have the same rights. The ILO has recognized that and requested the Ontario government and the federal government to allow that to happen. The Supreme Court seems to be ruling with the recent RCMP ruling. It would seem to suggest that that should also be to migrant workers. So I think they should be included and be allowed the right to unionize and collectively bargain.

Ms. Cindy Forster: Okay. And you support, of course, card-based certification for all workers in the province as well, and don't think we should be discriminating against workers in any sector by having one sector have a vote and another sector actually be able to sign a card, get to 55% and be automatically certified.

Mr. Bob Linton: Yes, absolutely. As you say, it's discrimination. You can hear arguments: "You know, in the agricultural sector, people have to plant their crops and harvest them." Well, that's part of the collective bargaining process. How do you address that? You can address that through the collective bargaining process as to what you're going to do there, because it is a unique industry.

Also, I think that if you were to talk to UFCW, we would say we're not looking at a family farm. We're looking at the agribusiness, industrial agribusiness farms where people are working seven days a week, 24 hours a day, like in Leamington, in many cases.

Ms. Cindy Forster: Right. Okay. Do you have anything else you want to add?

Mr. Bob Linton: Just to thank you for allowing us to be here today—and we don't want to keep you from lunch, so there you go.

Ms. Cindy Forster: Thank you so much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have any further written submissions, they need to be submitted to the Clerk by 5:30 on Friday, July 21.

Thank you to all of the presenters this morning. We have heard all of the presenters, and we are going to recess. We will reconvene here at 1:30 to hear this afternoon's presenters. Thank you.

The committee recessed from 1130 to 1332.

The Vice-Chair (Ms. Ann Hoggarth): Good afternoon. We're meeting here this afternoon for public hearings on Bill 148, An Act to amend the Employment Standards Act, 2000 and the Labour Relations Act, 1995 and to make related amendments to other Acts.

Each witness will receive up to five minutes for their presentation, followed by up to 15 minutes of questioning from the committee.

Are there any questions before we begin?

LAKEHEAD SOCIAL PLANNING COUNCIL—THUNDER BAY POVERTY REDUCTION STRATEGY

The Vice-Chair (Ms. Ann Hoggarth): Okay, I'll call our first witness, please: Lakehead Social Planning Council—Thunder Bay Poverty Reduction Strategy. If you could please state your name for the official record.

Ms. Bonnie Kryswaty: Hi, I'm Bonnie Kryswaty.

The Vice-Chair (Ms. Ann Hoggarth): You may begin.

Ms. Bonnie Kryswaty: Thank you. Hello. Thank you, everybody, for allowing me to speak here today. I'm going to speak to section 23.1, "Determination of minimum wage," which is to amend the minimum wage to increase, in 2018 and 2019, up to \$15 an hour.

In my role as the coordinator of Thunder Bay's Poverty Reduction Strategy, we are able to produce an annual report. The statistics gathered for the annual report come from our community volunteer income tax program, which is a volunteer income tax program run

through CRA. In Thunder Bay, we're very lucky because we get extremely robust statistics. We have about 15,000 people in Thunder Bay living below the low-income measure, and about a third of those people have their taxes done at the Lakehead Social Planning Council. So we actually have statistics on about a third of the population that are living below the low-income measure in Thunder Bay.

What we do know from those statistics is that about 20% of those people work and earn an income. Some of them do have extra income—perhaps WSIB, social assistance or ODSP—but many of them rely solely on their employment income.

What we do know is that the mean income for those who have other income besides their employment is only about \$2,000 a year. For those people that are solely earning income through employment and using the income tax clinic, the mean income is about \$5,000 a year. The maximum income was \$35,000 a year, and the lowest income was \$39 per year. Those are definitely poverty wages.

The Poverty Reduction Strategy advocates for the increase of minimum wage to increase the wages for those people living below the low-income measure. The Poverty Reduction Strategy recognizes the importance of the social determinants of health to ensure people stay healthy. Poverty is one of the social determinants of health. In fact, we think it's probably the most important one, and that by eliminating poverty, we would be able to ensure the rest of the social determinants of health are available for people, such as adequate housing, food security, and even things like social inclusion—being able to gather in groups and take part in community events.

One of the other things that we also know in Thunder Bay is that a large portion of the people living below poverty are indigenous in our community. Many of those people are also earning an income, but they are earning less income than their counterparts in Thunder Bay who are not indigenous, so we believe that raising the minimum wage would help that situation as well.

Another thing that we know from the Poverty Reduction Strategy is that most of the people that are earning an income and using income tax clinics—so they're living below the low-income measure—are between the ages of 18 and 29, and most of them are single. It's about 50/50 for male and female: 51 for male and 49 for female.

Another thing that we know through the Poverty Reduction Strategy and the research that we've done is the grave health effects for children living in poverty. One of these grave health effects is children's brain size. What some studies have found in the last couple of years is that the actual size of a child's cerebral cortex can be up to 6% smaller in families whose income is less than \$25,000 a year, as opposed to their counterparts who have a household income of \$150,000 a year or more. This information was found just by chance. There always are, of course, as you know, studies being done on

poverty and how it affects children. There were some scientists and researchers, working not collectively but separately, who found, as they were doing brain scans—which is par for the course when you're doing a lot of research on childhood and poverty—that there were differences in the grey matter size. In fact, there can be up to a 20% decrease in grey matter size for children whose income is up to 20% below the low-income measure.

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry. The time is up. We will turn to the opposition party, please. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Chair. Thank you very much, Bonnie, for joining us this afternoon and giving us some poverty information we may have heard but in different ways and for bringing a different perspective to what we all consider to be a priority, and that is the fight against poverty. How we get there—I don't know if you were here this morning, but there are different views about how we might get there and whether or not sometimes we accomplish our goals or actually work against them if we take certain steps.

Your submission centred on the \$15-an-hour minimum wage. We heard this morning from business groups how this might actually hurt some of those people who are earning that income because they might have to cut back on their workforce or whatever—jobs entirely or hours or both.

The most common thread was the timetable. Without anything happening as part of the Changing Workplaces Review, the government introduced what those deputants are saying is a very aggressive timetable for the minimum wage increases. Recognizing that none of them were opposed to the increase, how do you feel about, if the numbers are there—we're going to increase the minimum wage to the amounts that are determined in the legislation—changing the time frame, which seems to be something that they were concerned about? They genuinely say that if it's too aggressive in timing, then it's going to hurt some of those very people it's intended to help. Can you give me some thoughts on that?

1340

Ms. Bonnie Kryswaty: Sure. It is an aggressive timeline, and poverty is rising at an aggressive rate in Thunder Bay. It has become an epidemic in Thunder Bay as far as the Poverty Reduction Strategy is concerned, so I think we do have to be aggressive.

What I do say is that the raise to \$15 an hour would increase economic stimulus. Studies have shown that lower income earners actually spend more of their income locally. In fact, it's shown in a couple of studies that people earning between \$30,000 and \$40,000 a year spend 106% of their pre-tax income locally, whereas people earning more than \$70,000 a year would only spend about 63% of their money in the community, which therefore increases economic stimulus.

That's my response. I also say that it is unfair to pay people poverty wages. It's not ethically right to pay people poverty wages, which is happening right now.

Mr. John Yakabuski: You cited some studies. There are competing studies out there, as there always is, no matter what, depending upon who wants the study and who's paying for the study. There's never been a truly objective study ever done, because everybody has a client.

The one study that was cited was in Seattle, where they said that the average monthly wage of low-income people went down by \$125. Maybe that's part of what the business people are talking about. But studies are studies, and they're predictors of what might happen.

But I think it's clear from your point of view that your position would be that we move as quickly as possible to the \$15-an-hour wage.

Ms. Bonnie Kryswaty: Yes. That's the recommendation of the Poverty Reduction Strategy, and that's what we advocate for.

Mr. John Yakabuski: Thank you very much.

Ms. Bonnie Kryswaty: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move now to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Bonnie, for being here.

You said in your remarks that people who may be on ODSP or Ontario Works, or who may be earning minimum wage, may on average work for up to about \$2,000 a year; they have \$2,000 a year in additional income. Is that directly related to the clawback provisions through community and social services, where they can only earn \$200 a month, otherwise they get clawed back?

Ms. Bonnie Kryswaty: Certainly. What we know from the Poverty Reduction Strategy initiatives that we take to talk to people is that those clawbacks are a definite deterrent for people to work. They don't want to earn money that will therefore decrease the money that they are guaranteed to get, their guaranteed income, which is extremely important.

Ms. Cindy Forster: All right. So instead of working for \$11 an hour, after the first \$200, they're then working for five bucks an hour.

Ms. Bonnie Kryswaty: Sure.

Ms. Cindy Forster: If they go and do that additional work, right? Because there's a 50% clawback on every dollar after.

Ms. Bonnie Kryswaty: Yes. The Poverty Reduction Strategy also advocates that there aren't clawbacks. We advocate for many things, not just one thing at a time, just for that reason: because we don't want to advocate for something that will harm people. It's the same as the living wage. We also advocate for a living wage in Thunder Bay, as well, along with basic income and increased minimum wage. It's a bunch of things.

Ms. Cindy Forster: Right. Now, I understand that in 2014 there was a living wage report for the Thunder Bay region that advocated for over \$17 an hour at that point three years ago.

Ms. Bonnie Kryswaty: To speak to that: I wasn't in the role as the coordinator at that time. Unfortunately, we didn't have an Ontario Living Wage Network. The

Canadian Centre for Policy Alternatives didn't have an Ontario workbook to figure out, so we had to use a BC calculation. Now we know for sure that our living wage is much closer to \$15 an hour in Thunder Bay, and that will actually be presented very shortly.

Ms. Cindy Forster: You talked about the indigenous population, which I think is around 8% here.

Ms. Bonnie Kryswaty: Yes, the indigenous population is about 8%. But we know that for people living in poverty in Thunder Bay, more than 50% of those people are indigenous.

Ms. Cindy Forster: And there is a difference between status and non-status as well?

Ms. Bonnie Kryswaty: Yes. Actually, that's just for status First Nations people. It would be quite a larger number if you included all indigenous people in that picture.

Ms. Cindy Forster: Is there anything else in the bill that would address the poverty issues that you're experiencing here in Thunder Bay, besides the minimum wage?

Ms. Bonnie Kryswaty: Definitely. The section that speaks to equality for part-time employees and full-time employees being the same—it would be a definite benefit for people, of course, who are working part-time to have the same benefits that full-time earners have.

Ms. Cindy Forster: In the larger cities, like Toronto and Hamilton, there seems to be a lot of contract work and more and more precarious types of work. Are we seeing the same kind of model of employment here in Thunder Bay?

Ms. Bonnie Kryswaty: Yes. I, myself, am a contract worker. I made my living for five years, before I started my job at the Lakehead Social Planning Council, doing contract work. I know many people who do contract work, and none of them receive benefits, so they have to pay into very expensive packages to help subsidize when things happen. Also, too, for people like myself who are single parents and have no sick time etc., when you're a contract worker, it can be very detrimental to the family.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: I believe my colleague MPP Berardinetti has a quick question, and then I'll continue.

The Vice-Chair (Ms. Ann Hoggarth): Okay.

Mr. Lorenzo Berardinetti: Thank you, Madam Chair. I'll be quick.

Thank you for your presentation. You mentioned that children born in poverty have a smaller brain size and that that has been seen in scans. Is that caused by nutrition only, or could it also be caused by less mental stimulation?

Ms. Bonnie Kryswaty: Really, what it boils down to—and what scientists are saying—are the stresses in early childhood that come from poverty: not having adequate housing, not having adequate food, having parents who are stressed out by not being able to pay the bills etc. That's part and parcel of it. It's those stresses that are caused from those things that you're speaking about.

Mr. Lorenzo Berardinetti: That causes the brain not to develop as large.

Ms. Bonnie Kryswaty: Yes. It's the cerebral cortex, specifically, that they're finding—in the studies that I've read. That's the control centre of the brain, so we're talking about analytical thinking and things like that that are so extremely useful when we're adults.

Mr. Lorenzo Berardinetti: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming this afternoon. You raise a very good point about the social determinants of health. It's important to note how this bill can help alleviate some of those stressors and contribute to better health as well as just better economic circumstances.

In your work, are you coming across many people who, to try to make ends meet, are having not just one job but two jobs or maybe even more jobs, and trying to juggle them and all of the stresses that that causes in their lives and for their families?

Do you think the provisions in Bill 148 related to how work is scheduled and how employees are to be treated in their workplaces around the issues of scheduling are going to have a positive impact in this community?

Ms. Bonnie Kryswaty: Definitely. We have a lot of people in our community who are part-time workers. There's a lot of shift work that happens in Thunder Bay. So there are a lot of those quick call-in shifts for three hours or more and lots of cancellations beforehand that sometimes happen.

Of course, as we all know, when we expect to earn a certain income, after our two weeks, on our paycheque and then all of a sudden we don't get called in for a three-hour shift, which could be a big portion of our income, it could be very detrimental.

I know that the Ontario government is working very hard to ensure that the social determinants of health are being met in many, many of their bills. We really appreciate knowing that the government understands how imperative it is that the social determinants of health are met for all people, because it really is the only way for people to remain healthy.

Mr. Peter Z. Milczyn: When we talk about changes to the structure of the workplace, but also to the minimum wage—so it's more than just about the money that somebody's going to receive out of this.

1350

You mentioned in your presentation that there are about 15,000 people living in Thunder Bay who live below the poverty line. I think you said 20% of those are actually employed to one extent or another. Do you think that with some of these changes, it would attract more people into the workforce who may have given up on seeking employment because it just wasn't working for them, and that these changes might actually encourage them to get back out into the workforce?

Ms. Bonnie Kryswaty: Definitely. We've already heard—and I've heard specifically from people who use the Lakehead Social Planning Council, where we offer

many different programs for people living below the low-income measure—that a \$15-an-hour minimum wage would not just mean going back to work, but being able to also get an education while they're back at work, being able to afford decent child care that's suitable, being able to afford nutrition, being able to afford their bills and being able to afford rent, which is becoming much more difficult for residents of Thunder Bay.

Mr. Peter Z. Milczyn: We heard from one presenter this morning who kind of questioned whether all of this additional income would go back into the local economy as disposable income. They said that maybe people would use it to pay down debt or student loans.

In your view, with the increase in minimum wage, coupled with things like free tuition, increased daycare and universal pharmacare for young people, do you think that, overall, that suite of programs is going to have a really fundamental impact, or is it just still sort of tinkering around the edges?

Ms. Bonnie Kryswaty: Oh, a fundamental impact. Free tuition: That's a huge, fundamental impact. A \$15-an-hour minimum wage—really, we're just always talking about the social determinants of health: being able to get a decent education, adequate housing, food security—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry. The time is up. Thank you very much, Ms. Kryswaty.

Mr. Peter Z. Milczyn: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have a written submission that you would like to give to the Clerk, you have until 5:30 p.m. on Friday, July 21. Thank you.

Ms. Bonnie Kryswaty: Thank you very much.

THUNDER BAY HOTEL ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): At this time, I'd like to call the next presenter: Thunder Bay Hotel Association. If you could state your name for the official record, and then make your presentation.

Ms. Roberta Sawchyn: Thank you. Roberta Sawchyn, president of the Thunder Bay Hotel Association.

The Thunder Bay Hotel Association thanks the committee for allowing us to present our concerns and opportunities to the committee.

We would first like to confirm that our association supports the ORHMA letter of May 23, 2017, sent to the Honourable Kathleen Wynne and the Honourable Kevin Flynn from Tony Elenis, president and CEO of the Ontario Restaurant Hotel and Motel Association. That is in your package that I presented.

Although Bill 148, re minimum wage, was not compiled based on business sectors, we feel it is important to give consideration to the hospitality industry based on the gratuities both in restaurants and banquet facilities. Gratuities add substantially to the hourly wage of servers, dishwashers, buspeople and other people in the food and beverage sector. The gratuities can range anywhere from \$5 per hour to upwards of \$10 per hour,

plus their wage of \$9.90. This would take servers well over the proposed \$14-per-hour minimum wage.

To raise the minimum wage 26% in this sector, along with the proposed vacation pay increase from 4% to 6%, will mean an increase to our menus in both restaurants and meeting and conference facilities of a minimum of about 30%. I have attached a sample menu with the increases and what that would look like for a customer. For example, a clubhouse sandwich which sells at about \$14 today will increase to \$18 come January 1. This is based on wages alone. It would have to increase even more should food costs rise with the minimum wage increase for food suppliers. We have already been informed by our suppliers that food costs will certainly rise in January with this new increase.

Our customer base can only tolerate so much of an increase in our industry. We have no other alternative but to increase pricing to allow for an increase in payroll. In food and beverage, there is not 26% to 30% profit to balance the Ontario government's increase to minimum wage in our sector. The margins in food in Ontario are very low and have been decreasing. We have gone from 5.4% in 2001 to a low of 2.8% in 2013, and have further declined in 2016, in comparison to the rest of Canada, who have only declined from 5.8% to 4.2%. There are many factors contributing to these lows in Ontario, such as food costs, hydro costs, Canada Pension Plan enhancements, cap-and-trade, rising municipal taxes and a long list of economic challenges faced by our industry.

As it pertains to the gratuity-earning model, servers' positions are some of the highest-income earners working in a restaurant or banquet facility. To increase their base wage, this decision requires a better understanding of the operations in our industry.

As it pertains to the student wage increasing to \$13.15 per hour, we are not certain of the rationale of this increase. Ontario has the highest youth unemployment in Canada. Why would a youth who is just starting out in the workforce at the age of 14, 15 or 16 years of age, who lives at home and is in school, be paid 85 cents less than a person trying to support a family? A youth is in a training position when entering into the workforce, and many hours must be spent training youth for one's operations. If this is going to be passed into legislation, then a government training benefit or incentive should be paid to the businesses employing youth to cover training expenses when hiring youth. Should an employer need to hire for their business, preference would be given to the experienced person at \$14 per hour rather than a student at \$13.15, which will further decrease students' opportunities for joining our workforce.

We also have concerns over the call-off time for employees in our industry. Giving 48 hours' notice in the hospitality sector is not reasonable. For an example, if a restaurant has expectations of a busy day or evening, they may schedule six servers that day. If 24 hours before the day of a reservation, 20 people cancel, then the restaurant may not require six servers, but maybe only five. They

would not have known that until the cancellation took place, so now they call off one server, but with only 24 hours' notice. Why would a minimum of three hours be paid to a server because of a cancellation and/or a lack of business?

As it pertains to full-time and part-time employees' vacation pay after five years, it does not seem fair to a full-time employee who works 2,080 hours in a year over five years that they—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. The first line of questioning will be to the third party, the NDP. Ms. Forster.

Ms. Cindy Forster: Thank you so much, Roberta, for being here. If you would like to use a minute or two of my time to finish, go ahead.

Ms. Roberta Sawchyn: Thank you. As it pertains to full-time and part-time employees' vacation pay after five years, it does not seem fair to a full-time employee who works 2,080 hours in a year over five years that they receive the same vacation pay percentage of 6% as a part-time employee who only works 1,000 hours in each year of the five years. The part-time employee should have to work specific full-time hours to receive the same benefit, and that may take a few more years to qualify for the 6%. Otherwise, what is the benefit of someone staying and working with you full-time if they are not earning something more than a part-time person?

In closing, the hospitality industry in Ontario is important to tourism in Ontario. With increasing menu pricing, hotel stays and admissions to attractions, we feel that these increases in minimum wage, at an initial rate of 26%, is too much, too fast, for our industry to operate successfully. Although we agree that a standard-of-living wage is important, increasing this much, this quickly, is harmful in the long run if it means businesses will close.

Should the legislation remain as written, then we ask that before you implement the further \$1 to \$15 an hour in 2019, which is only one year later, the government take the time to review and analyze the effects of the increase on Ontario's businesses together with the businesses before adding the next increase. This would make for a better-informed and reasonable way to proceed.

Thank you for your time today.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster?

Ms. Cindy Forster: Thank you. We had a couple of presentations earlier today from the retail industry and from the chamber of commerce. Both of those groups were not opposed to an increase in the minimum wage, but they wanted it phased in over a longer period of time.

1400

Now, we also heard that 15,000 people live below the poverty line here in Thunder Bay. Do you agree or does your association agree that, perhaps, if people were making a greater amount of money, that money would be funneled into the local community, into restaurants and other local businesses?

Ms. Roberta Sawchyn: We're not opposed to a standard-of-living increase in minimum wage. What we're talking about today are students, liquor servers,

who already now are making above \$14. If we go from \$10.80 to \$12.20, they're already making \$5, \$10—in a full-service higher-end restaurant, in a six-hour shift, they could make \$50 an hour, for sure, in gratuities.

In the hospitality industry, we're more concerned about the food-and-beverage end of it rather than, say, the guest services end of it where the front-desk person is making—we don't have a problem with the \$14 an hour. It's where they're already making more money, because the person who's making \$14 at the front desk doesn't have an opportunity to make more money through gratuities.

Ms. Cindy Forster: Can you comment as to how hydro rates and cap-and-trade have actually impacted the industry over the last couple of years?

Ms. Roberta Sawchyn: This year, I have to say, we are in a position to get a rebate with hydro. But it certainly doesn't cover the amount of the increases that have happened over the years. It makes a large difference.

In the hotel business or the restaurant business, you're running hydro 24/7, 365 days a year. Today, the air conditioning is on full force. In the winter, the heat is on full force. We're dealing with a 24-hour situation 365 days a year, where we can't run at 7 o'clock at night. We have to do our laundry during the day. It makes a huge difference in our industry.

Ms. Cindy Forster: You also spoke to the issue of cancellation of shifts and the legislation to actually compensate employees if they're cancelled with less than a certain notice. Is there a period of time that you think of where employees should be given some compensation if they're cancelled, so they can actually go and work those hours, perhaps, with another employer?

Ms. Roberta Sawchyn: In the hospitality industry, I think we're dealing with a 24-hour period—a 12-hour period would be fair. For a restaurant, if they have a patio and it rains today, they obviously don't need a person there.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up.

We'll now move to the government—no, you're still there.

Ms. Roberta Sawchyn: Oh.

The Vice-Chair (Ms. Ann Hoggarth): The government side.

Ms. Roberta Sawchyn: The left side.

The Vice-Chair (Ms. Ann Hoggarth): MPP Milczyn.

Mr. Peter Z. Milczyn: Wow. I've been accused of other things than "the left side," but thank you.

Thanks for your presentation today. We've heard a variety of opinions so far. I just wanted to touch on a couple of aspects of your presentation. You specifically touched on servers and students. In the Changing Workplaces Review, the recommendations that did come forward from the advisers were, in fact, to just have one rate of minimum wage for everyone in the province. They did not recommend continuing having differential rates.

In Bill 148, what the government is proposing is, in fact, although minimum wage is going up, that there would still be a differential rate for students and for servers that would be lower than the general minimum wage. We did hear that.

I assume you think that's still—you might not agree with the amount, but you still think it's the right thing: that there should be a differential between those rates.

Ms. Roberta Sawchyn: Absolutely. There's the opportunity for a server or a busperson, banquet servers, or anyone in our food-and-beverage industry—we control the banquet gratuities so we know how much of a difference it makes in their wage, and it's well above \$14.

Mr. Peter Z. Milczyn: Okay. Just on the issue of gratuities, you mentioned that a server could make \$50 an hour. Would it depend on the type of establishment that it is? Because I guess in some establishments maybe the server who does the serving gets whatever tip they get; in other establishments it gets put into a pool and, from the dishwasher straight to the manager, everybody shares some percentage of it. So I imagine it's not straight across the board an extra \$50 per hour for everybody who works in a restaurant.

Ms. Roberta Sawchyn: No. I mean, \$50 would be the high side of a high-end restaurant. A server could go home with \$200, \$300 or \$400 an evening.

Mr. Peter Z. Milczyn: A dishwasher, though?

Ms. Roberta Sawchyn: A dishwasher would get proportionate parts of that.

Mr. Peter Z. Milczyn: But it might still end up being less—

Ms. Roberta Sawchyn: No, it's not less.

Mr. Peter Z. Milczyn: —than \$15 an hour, no?

Ms. Roberta Sawchyn: Not less than \$14 for sure.

Mr. Peter Z. Milczyn: Not less than \$14.

And I was just wondering, over the entire breadth of the changes being proposed in Bill 148—we heard some of your comments on the scheduling, and you offered an alternative time frame: You said 12 or 24 hours as opposed to 48. You made some comments about vacation entitlements for part-time workers versus full-time workers. But there are other aspects of the bill as well. Around certification for unions, there are some changes there; there are some changes for protection of workers precisely on that issue of full-time versus part-time, that they have to be paid the same way.

Do you have some comments on those other aspects of Bill 148?

Ms. Roberta Sawchyn: On paying the part-time person the same amount of money per hour as a full-time person: not opposed to that. You're doing the same work, and maybe your availability isn't there for full-time or maybe you just don't choose to work full-time.

But when it comes to the benefits side of things, I think there needs to be a benefit to a full-time person who is working for your establishment, that they see a greater reason to work for you. And when it comes to vacation pay, why would a part-time person get the same rate as someone who is working full-time? Why wouldn't they

stay at 4%, until they've worked those 2,080 hours? That may take them three years. So, as it pertains to that, we still see an issue with that.

Parts of the bill are very good, and we're here to say that, yes, I think there needs to be an increase in the minimum wage, but when someone has the opportunity to make money through gratuities, that needs to be looked at closer.

Food costs are horrific, and there is no elasticity in a menu to increase 26%. We don't make 26% profit. In food you're at 2.8% profit. Where do you find 26%?

The greater part of this is that the person who is working on my front desk for \$14 an hour now feels they're doing pretty well against \$11.40 or \$11.60—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up. We'll move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Chair. Thank you very much for joining us today, Roberta.

I think you were going to answer a question for Mr. Milczyn about how it affects someone who is already at \$14. Please go ahead and answer that.

Ms. Roberta Sawchyn: The person who is making the \$14 now thinks they're doing fairly well. Now will I be able to, in business—I'm saying "I" as in the association. Will we be able to increase that person \$2.60 an hour? That's what they're looking for. I mean, the conversation is happening already. But if we don't think there's any room now, how do we find the dollars to support every employee? In a hotel this size you've got over 150 employees. How do you increase everybody \$2.60 an hour without closing the door?

Mr. John Yakabuski: So you're saying that the change is not going to affect only those whose wages would increase by statute, but those who already are at or above that wage are going to be looking for more as well. 1410

Ms. Roberta Sawchyn: Absolutely.

Mr. John Yakabuski: Okay. I was in the retail hardware business, and sometimes I thought we were favoured and sometimes I thought the food business was favoured. I always thought, well, the one thing about stuff on my shelf I never had to throw anything out because it was spoiled. It might become obsolete, but it was not spoiling. I always wondered about the restaurant business and how difficult it is, because there were restaurants in and around our store. For so many reasons, you could expect a crowd and a dozen show up, or you don't expect a crowd and they do show up. It has got to be one of the hardest businesses to staff in.

I recognize what you're saying. But we also understand how difficult it is to manage your own life and your family, when you're employed and needing some kind of notice. So I certainly understand the challenges there.

How well known is it—because I certainly didn't know that—just how tight the margins are in the food service business? It's 2.8% and declining. What is this going to mean to your industry, if implemented? I know you've talked about increases in the cost of a club

sandwich or whatever. I don't know. Is it that simple, where you just increase prices, or are we going to see some other effects?

Ms. Roberta Sawchyn: You're going to work with less staff. We're not increasing opportunities here; we're decreasing opportunities here. You have to find the money somewhere, so you have to tighten expenses even more. You're going to have to raise guest room rates in a hotel situation. A restaurant has no other place to gain revenues other than through their menu pricing, so that has to increase.

Food costs will go up. We have already spoken to the general managers of grocery stores. In the superstore, where you see eight automatic checkouts, you're going to see 28. They're preparing for it already. Safeway/Sobeys is doing the same thing. They're preparing to put in automatic checkouts. The only people who will have a checkout till will be the beer line or the alcohol line, where you have to ask for ID.

You are going to decrease the availability of jobs. We will have to cut. There is no other way to do it. At least in a hotel, we have the guest room side that supplements. The guest room side runs administration, maintenance and utilities. But when it comes to the food side of it, there are no margins. You have a little more in alcohol, but you can't sell as much alcohol anymore, either—rightfully so, but you can't. There's no other choice. If you go to Australia, you will see why menu prices are so high. It's because their wages are so high.

A senior who is on a fixed income, who may frequent my restaurant now four days a week for lunch or dinner or breakfast or whatever they're coming out for, will be coming once. I showed a copy of my menu to some good customers. They've already said, "You've got to be kidding." I'm not kidding. There's nowhere else to go for the money.

So you'll see a decrease. In a restaurant, you'll see customer service suffering somewhat, because you can't afford to employ as many servers as you would. Usually a server can take—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up.

Mr. John Yakabuski: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you would like to submit a further written submission, you must have it to the Clerk by Friday, July 21, at 5:30 p.m. Thank you.

Ms. Roberta Sawchyn: Thank you.

NORWEST COMMUNITY HEALTH CENTRES

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be NorWest Community Health Centres. If you could please identify yourself for the sake of the record.

Ms. Anita Jean: Anita Jean, manager of health and social programs at the NorWest Community Health

Centres, a provider of primary care throughout the district of Thunder Bay.

There is a direct relationship between income and health. According to a recent report by Health Quality Ontario, the poorer you are, the poorer your health is. The infographic on the report's finding, which you have in your package, compares the poorest-neighbourhood families with the richest-neighbourhood families. You will see that the rate of multiple chronic conditions is twice as high for the poorest families. Hospitalization rates for conditions best managed outside of hospital are two times higher. And 27.5% of people report having food insecurity.

About a year ago, Health Quality Ontario also conducted a northern Ontario health equity strategic engagement with 32 groups. Poverty and income insecurity were identified as the strongest determinants of poor health. According to some local data, which you have in your package, if you look at family income, a family of four with one full-time minimum wage earner, with the family accessing all the benefits and credits for which they are eligible, will have \$941 left to cover basic expenses after paying rent and the cost of a nutritious diet. It is likely that these families have had to make choices between paying the bills and buying food, as do the 62% of Canadian households who are food-insecure, although they earn employment income.

The other document in your package is about the Canadian Index of Wellbeing, or CIW, which focuses on key aspects of life, monitoring 64 indicators organized in eight domains. Living standards is one of these domains, where the following are monitored: average and median income, wealth distribution, poverty rates, income fluctuation, food security, housing, and employment quality. Just as the gross domestic product, or GDP, measures the value of goods and services produced during a certain time period, the CIW provides us with an indication of our well-being as a country since its development 17 years ago.

How are we doing? Well, the good news: Family income is higher, and there are less people living in poverty. However, Ontarians have not recovered from the recession. Access to affordable housing is worsening. Food insecurity is on the rise. There is a growing increase in income gap and volatility in long-term employment.

According to the CIW, higher levels of income inequality beg a moral question concerning fairness and equity, which are core Canadian values. The trends are that there is more precarious employment, a growing number of workers earning minimum wage, and more part-time work. The pressures on the health and well-being of our low-wage earners will only increase. These costs, and higher demands for services, will show up somewhere in the system.

Via the basic income pilot, we are all actively testing if a secure income will improve the outcome of the health of individuals with low income without discouraging paid work. By addressing their biggest determinants of

health, we should improve the health of low-income individuals, which should result in health care savings.

As mentioned before, family incomes are higher, and less people are living in poverty. We need to improve the wages and working conditions of our low-wage earners. We should not leave them behind.

Thank you for this opportunity.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The first round of questioning will go to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you, Ms. Jean, for presenting today and touching upon the issue of social determinants of health. I think you're the second speaker this afternoon who has touched on that and the linkage that poor nutrition, obviously, has on health and that stress can also have on health, and the impacts of job-related stress, whether it's the issue of not earning enough, or of precarious employment, or of uncertainty around your employment.

I was wondering if you could share with us a snapshot of how the changes in Bill 148, both the increase in the minimum wage and the changes to how employees' work can be scheduled, providing them with somewhat more certainty around the hours that they're going to be employed and being able to organize their life with more certainty around that—what do you think the impacts of those measures in Bill 148 would be on the people that you know of in this community?

1420

Ms. Anita Jean: Well, first of all, I'll just use the example of the single, full-time minimum wage earner. Obviously, the full-time jobs don't exist very much, so it's probably split between the two parents.

If you have \$1,000 a month to live on after expenses, obviously some things are not going to be purchased, like clothing, or you're not going to buy nutritious food. Just the ability of having more income available to you, the ability of having some guarantees in terms of scheduling—if you have some benefits in terms of sick time, so you can actually make a doctor's appointment or go to a walk-in as opposed to showing up in the emergency department—having some job security, having a sense that there is a little bit of incentive for you to work—you can look at the various family incomes based on social assistance. The incentive becomes working, and you will be spending those dollars, probably on very basic life needs.

Mr. Peter Z. Milczyn: One of the presenters this morning questioned whether the full amount of any increased wages would actually get spent in the local economy, and that it might go to other things, like debt repayment or student loans or whatever else it is that they thought it might go to.

In your experience, in your knowledge of your clients in this community, where do you think they will be spending any increase in wages they receive?

Ms. Anita Jean: We serve a very marginalized population. We go to Shelter House, and detox. We work with Grace Place in town. I've seen family members picking

their underwear from a donation box. So I'm thinking that the poorest folks will be buying basic supplies like food and clothing, paying for rent, and able to afford a better place, able to have decent child care. It will be going to mostly very, very basic and essential items.

Mr. Peter Z. Milczyn: So all of it will be spent locally.

Ms. Anita Jean: I don't think they're going to be driving to Duluth to be spending their dollars. They likely don't even have a vehicle.

Mr. Peter Z. Milczyn: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now go to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much for joining us today, Anita. I appreciate your submission. There's a lot of data here; I have to digest it. I can't do it while you are speaking; I'm trying to listen as well.

I do have to ask you about one of the things that we keep hearing. We want to make sure that the people who need the help the most actually get the help, and one of the things we keep hearing is that it's going to hurt their opportunities for jobs. We've heard that from a number of submitters today.

Do you feel that that is a real, genuine concern on the part of those deputants, or do you feel it's not going to have an effect on those jobs? And if you do feel it is, would a less aggressive—I know I heard from another presenter who said, no, we need as aggressive a timetable as possible to implement the changes in the minimum wage.

What's your feeling? Do you feel this is a real—I don't want to use the word "threat," because it's not, but they're illustrating it as a real, genuine threat, not from them but from the marketplace, to those jobs. How do you feel about that?

Ms. Anita Jean: The Canadian Index of Wellbeing living standards have decreased 23% between 2007 and 2010, so there's a significant portion of the population that is worse off, and they are hurting.

We're seeing, in terms of really poor health—if you see that there is a relationship between income and health, you can understand why there are more people at walk-ins, more people at food banks, and more folks going to the ED as opposed to having proper care.

Do the math. If you have a full-time minimum wage earner with the wages increasing, that's \$6,500 more, minimum, per year for the employer. It will hurt. But what we're seeing now is that, within the system, if you are not looking after folks with low income, their health will worsen; their situations will worsen. Someone in the system will pay, be it the Ministry of Health or some other group. So who's going to pay? Who's going to be subsidizing whom?

Mr. John Yakabuski: Of that lessening standard of living, we've seen it, as legislators. We've seen the cost of living for some of the basic things like electricity go up dramatically in the last number of years. How much of a role has that increase in the cost of living for the people

that you're speaking about and representing had in that lowered standard of living?

Ms. Anita Jean: Their situations are more precarious. The health centres are supposed to be doing a lot of health promotion. That was 15 years ago. Where we are right now is client support: making sure they show up for their appointments, that they're dealing with mental health and addiction issues, that they're having food. We need to have emergency food bags. We need to have bus passes for them. We need to have taxi vouchers for seniors. It's getting worse all the time.

Mr. John Yakabuski: Did you address the cost of living?

Ms. Anita Jean: The cost of living is going higher, but what's happening is folks are less and less able to, essentially, afford a basic life. Whatever they're getting is not sufficient.

Mr. John Yakabuski: So you would take the position, then, that there can be no delay in the implementation, as opposed to maybe a less aggressive timetable?

Ms. Anita Jean: It's got to happen at some point. Will a year or two make such a big difference? Some of the businesses, if they're going to hurt, are they viable anyway?

Mr. John Yakabuski: Okay. Thank you very much for joining us today. I appreciate your submission. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We will now move to the third party. MPP Forster.

Ms. Cindy Forster: Thanks so much for being here today. Just following up on Mr. Yakabuski's comment about the hydro issue, when I look at some of the documentation in here, Hungry for Change, someone on Ontario Works with a family of four gets \$2,245 a month. Once they've paid the average rent in Thunder Bay, which is \$1,150 a month—far higher than many communities in the south—and they buy groceries for a family of four, there isn't anything left to pay the heat, the hydro, medical costs, transportation, medications. It's an issue, because you have to have heat in a part of the province where you traditionally have cold weather; then paying the hydro bill or eating becomes the decision.

Ms. Anita Jean: It would also be very interesting to look at similar data across the province, because I would imagine that in a larger centre the costs might be even higher in terms of housing. You may have food deserts where your options are not the low-cost grocery store available to you, although you might not have to deal with the cold. The fact is, for a lot of families, for the bottom 20%, there's not enough income for them to maintain a decent lifestyle to promote health.

Ms. Cindy Forster: Right. You made the point that by not doing anything, there are costs elsewhere. For example, not focusing on mental health issues for a long period of time with any significant dollars, as a government, actually has led to many in our correctional facilities having mental health issues that led to them being incarcerated; or policing costs; or health care costs,

as you speak to. Not having appropriate dental care for adults actually leads to costs of other health issues. It could be heart issues; it could be infections. Doing nothing can have many ancillary costs that perhaps will go a long way to increasing the minimum wage.

1430

Ms. Anita Jean: If a full-time person would get a minimum wage increase of \$500 a month in terms of being able to afford decent food, having a little bit of a better lifestyle so that you have a sense of hope, or you have some benefits where you can access the help that you do need and provide what your children need, it would probably increase the mental outlook of a lot of folks and their children.

Ms. Cindy Forster: Right. And there was a report recently—I know we talked about it in the Legislature before we rose—about access to health care in the north. That also is a cost to people who live in the north, because they don't have the same access to health care that we have in southern Ontario. There are transportation costs and there are—

Ms. Anita Jean: There is that, as well as we have the ED that's the second- or third-busiest in the country here, which is probably the most expensive way to deliver your health care.

Ms. Cindy Forster: Right. Okay. Well, thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, if you could please bring it to the Clerk by 5:30 on Friday, July 21.

LAKEHEAD UNIVERSITY FACULTY ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be the Lakehead University Faculty Association. Good afternoon. Could you please state your names for the record? You may proceed.

Dr. Gautam Das: Good afternoon. My name is Gautam Das. I'm a professor in the department of physics at Lakehead University. I'm also the president of the Lakehead University Faculty Association.

The Lakehead University Faculty Association represents full-time professors, librarians and contract faculty members. Like other universities in Ontario, at Lakehead University we also have contract faculty members, approximately 60 of them. Out of 60, almost 12 of them have PhDs, which is almost 20%. It is interesting to note that out of that 60, at least 10 of them have been working more than 20 years as contract faculty.

The most important point is that OCUFA, the Ontario Confederation of University Faculty Associations, identified a number of shortcomings of the bill. One of the things that the inclusion of some of their recommendations would improve is the working conditions of the contract faculty at Lakehead and all over Ontario. As I

said, contract faculty are a very important part of higher education in Ontario's education system.

What I'll do is go through some of the important aspects—I have a few—and my colleague will explain or detail some of the important stories about how the contract faculty feel, being a contract faculty member.

One of the issues is equal pay for equal work. As I said, I will highlight a few of them. One of them is what is in the bill: The protection applies when "they perform substantially the same kind of work in the same establishment." What OCUFA is recommending is to replace the language of "substantially the same" with "similar or equal value." This would help avoid minor differences being used to justify unequal pay.

The next important one is that differential pay is permitted on the basis of a seniority system, a merit system, a system that measures earnings by quantity and quality of production, and any other factor other than sex and employment status. OCUFA's recommendation is to limit the exemption to cases where there are objective differences, such as seniority and the merit system. The exemption for piecework and any other factors should be removed. This would better align with the Pay Equity Act.

Another important one is more secure and stable work. What is in the bill is—it is disappointing that the growth of fixed-term contracts is not addressed directly in the proposed legislation. What OCUFA is recommending is that a provision should be added that disallows the use of a sequential or discontinuous contract to prevent the achievement of workplace rights and entitlements. After a number of fixed-term contracts, employees should be treated as continuous employees for all purposes.

This provision should be accompanied by just-cause protection for contract workers when, at the end of the contract, someone else is hired to do the same work.

The last important issue is the reasonable notice of work. The recommendation of OCUFA is that complementary, reasonable scheduling provisions should be put in place that provide employees with at least two weeks' notice of work.

Especially in the university sector, it is very hard to start work just within a week, because a professor has to prepare for his lecture. Although the two weeks' time is not enough, I think this would be a good starting point in the bill so that in future, it can be extended.

I will now ask my colleague to address some of her experience as a contract lecturer.

Dr. Laurie Forbes: Hi. My name is Dr. Laurie Forbes. I'm a sociologist. My job is to teach, and I'm very passionate about it. I really feel honoured and privileged to be working with the young people who will one day be the future leaders of this country.

I have worked in a precarious position as a contract lecturer for more decades than I would care to share. I am one of eight fortunate people who now hold a position of continuing lecturer at Lakehead University. This is a new category that was formed during our last round of negotiations last year. I basically do the same job as do my colleagues as lecturers, and we are paid \$12,190

below the floor of a lecturer. It would take roughly 30 years for a continuing lecturer to reach the lecture ceiling. I have been teaching at Lakehead University for 28 years.

Contract lecturers apply for each course they teach. They're paid per course. There is no guarantee on the number of courses taught or of continued appointments. There is no conversion for contract lecturers into permanent positions. Contract lecturers do not know from one academic year to the next if they will have any courses—

The Vice-Chair (Ms. Ann Hoggarth): Sorry, the time is up.

Dr. Laurie Forbes: Okay.

The Vice-Chair (Ms. Ann Hoggarth): We'll go to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you very much, Gautam and Laurie. I have to confess that the issue you're speaking about is not one that we've had a whole lot of input on, as MPPs, from the general public. You're very specific about how it affects your work at the university as well. I'll take a look at the full submission; you didn't have time to verbalize the entire submission. It will certainly be noted by the committee, your submission, and I'll take another look at it. It is noted.

I understand your concern that you're being treated differently than a full-time lecturer. I recognize that. I don't have the kind of knowledge that maybe I would like to have about the contracting circumstances at a university. It's just not something that we've ever dealt directly with. But I do appreciate your submission, and your concerns are noted, on my part, and I'm sure the committee will be looking at your submission, as well as all submissions.

Thank you very much.

Dr. Laurie Forbes: Thank you.

Dr. Gautam Das: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to the third party. MPP Forster.

Ms. Cindy Forster: Thank you for being here today. I'm happy to let you finish, and use some of my time, and then I'll weigh in.

Dr. Laurie Forbes: Okay. Well, you have the submission. Often people don't understand what we actually do. It's like, "You're in class for three hours. So what are you doing with the rest of your life?" If I'm teaching a brand new course, I'm putting in a minimum of 20 hours of prep time for three hours of lecture time. If it's a course I've taught before, I'm putting in a minimum of 10 hours of prep time.

On top of that, you have to stay on top of current literature in your field. You spend a lot of time with students. Emails become a blessing and a burden—a blessing because the students have lots of contact with us that they may not have had without it, but a burden because it takes up a lot of your time. We also prepare exams and course outlines; we grade, and do all those other sorts of things. So it's a labour-intensive position.

What I would like to share with you are a couple of stories, and these are sad but true stories. One of our

colleagues got very ill at the end of the summer and had to have surgery. They were told they needed a month of recovery. Their courses for the fall semester were taken from them, which meant they had no income for the fall semester. They also were terrified that they would lose their seniority over those courses because they had not taught them for that semester. There was no sick leave available to this person, no health care benefits—nothing. So, basically, for four months, while they're recovering from their surgery, they have to worry about how they are going to survive financially.

1440

One of the saddest stories happened to one of our colleagues this year. To be a member of the association, you have to teach two full-course equivalents, so two full-year courses. This person had 1.5 courses for the fall and didn't know if they were going to have anything for the winter semester. They didn't know how they were going to survive that winter semester. They were turning 65 this past June. That is no way to go into your old age, after you've taught at an institution for 24 years.

One of our other colleagues told me a sad story the other day. They lived in an apartment for 22 years and watched the area get seedier and seedier, and couldn't afford to leave. You don't make that much as a contract lecturer, and you never know how much you're going to be making in the future. You may have no courses, some courses, whatever. The people down the hall were drug dealers who jimmied the back door so they could ply their trade, and the person above them was murdered. They couldn't afford to leave, as anybody else in a precarious position who's living in those kinds of conditions would. Anybody who's that broke could not possibly move.

When you're working at a university, people think you're making all this money, but there are 68 of us who are not. We're living in very precarious positions.

Ms. Cindy Forster: So equal pay for equal work actually doesn't apply in your field. Even though you've spent hundreds of thousands of dollars over the years to get an education so you can go out and teach, probably, at the end of the day, if you only have one or two courses, you're actually making minimum wage.

I speak from some experience, because I have a nephew in the same situation as you have been in. At one point, he was travelling to three different cities to try to get to \$40,000 a year, as somebody with a PhD. So I hear your message, and hopefully there will be some amendments coming forward to try to address it.

Dr. Laurie Forbes: And conversion would be very helpful. We have people who have taught for 15 or 16 years and simply don't get another contract. They don't get a "Goodbye" or a "Farewell" or a "How do you do?"; they simply are gone. It's a terrible position to be in.

The Vice-Chair (Ms. Ann Hoggarth): To the government: MPP Milczyn?

Mr. Peter Z. Milczyn: Thank you, Dr. Das and Dr. Forbes, for coming this afternoon. As was said, you bring

a very unique aspect of employment to the committee's attention, not the usual that we're hearing about.

From your presentation, I take it that there might be some protection in this bill, but you're just not certain yet, so you'd like some more clarification around the language of what that equivalent work means and how it would be applied to your situation.

Dr. Gautam Das: As I have mentioned, "substantially the same kind of work" is very vague, when it comes to a contract lecturer and a regular tenure-track position. Where it says "substantially the same"—just to remove those words, just similar work. Suppose I am teaching physics and another colleague, a contract person, is also teaching physics. We are both teaching first-year physics, teaching the same number of students. The question is why would he make less compared to me? "Oh, no, he is doing this and this, but you are only doing this." The question is, when it is similar work or an equal value of work—because when you are teaching a class of 100 students, I want to see my colleague who is in the contract position being treated like me when I am in a tenured position. So that wording should be very clear.

I also mentioned differential pay. Seniority and a merit system are sometimes there—but when it says "any other factor," it could be anything. So OCUFA wants to see those particular words removed, or there should be clarification. What does "any other factor" mean? The factor could be anything. To make some differentiation between a contract person and a normal tenure-track—it's very easy to make that distinction. So the point is that we should not have any differentiation when it comes to teaching a particular course or a particular class. That's what I want to say.

Mr. Peter Z. Milczyn: Are the non-tenured staff at Lakehead covered under collective bargaining or no?

Dr. Laurie Forbes: You have to teach two full-course equivalents to be a member of the faculty association.

Mr. Peter Z. Milczyn: Okay. I read that in your submission.

Dr. Laurie Forbes: There are people who are teaching less than two who are not covered under the collective agreement, and we don't know anything about them. They deal with admin. We don't even know how many there are.

Mr. Peter Z. Milczyn: All right. Are there other aspects of Bill 148 that you feel would be helpful or that you have questions around? The collective bargaining is one where maybe you feel that's going to be of benefit to members of your faculty?

Dr. Laurie Forbes: Yes, and job security and equal pay for work of equal value. Those are the big issues—and conversion, people who have been employed in the same position.

We have three tiers of contract lecturers. In tier 1, you teach under 30 half-course equivalents; tier 2, 60; tier 3, over 60. To get to that, if you're teaching three full-course equivalents a year, it takes you a number of years.

We have people who have been there for well over 20 years who don't have pensions and benefits and all the

things that they should have. They get a small, \$625-a-year health spending account. They are not covered; they don't have sick leave. They can buy into a pension plan, but it's not the faculty pension plan. It's the pension plan for the other workers at the university.

Mr. Peter Z. Milczyn: I can tell you that certainly, you have raised a very unique issue. I mean, it's not unique just to Lakehead, I imagine—

Dr. Laurie Forbes: No.

Mr. Peter Z. Milczyn: —but to all post-secondary institutions in the province. I will endeavour to get clarity from the ministry on what the intent is, as the bill is written now, and whether that means that there has to be some amendment or not, to give it greater clarity. I really do appreciate and thank you for your submission this afternoon.

Dr. Gautam Das: Thank you very much.

Dr. Laurie Forbes: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have any further written submission, it must be to the Clerk of the Committee by 5:30 p.m. on Friday, July 21.

SOCIETY OF ENERGY PROFESSIONALS

The Vice-Chair (Ms. Ann Hoggarth): Our next presentation is supposed to be a teleconference. We're having some technical issues.

The next presenter is available and ready to go. Would the Society of Energy Professionals please come forward?

The first round of questioning will be the NDP.

Mr. Scott Travers: Thank you to the Chair and members of the committee for making time available for me to speak with you today. My name is Scott Travers, and I'm the president of the Society of Energy Professionals. We represent 8,000 members. Our members work for 14 employers in Ontario's public, private and not-for-profit sectors. Like me, many of our members are engineers, but we also represent scientists, economists, project managers, supervisors, IT professionals, accountants, analysts and, most recently, lawyers—something I'll talk a little bit about.

I would like to start out by saying that though there are many laudable parts of Bill 148, it also unfortunately falls short in many ways. I'm very pleased to endorse all of the amendments that are being recommended by the Ontario Federation of Labour.

However, today, given our limited time, I'd like to spend my time with you addressing two specific points: first, ending the exclusion of many workers from collective bargaining; and second, the need to institute a bright-line test and streamlined process for determining management exclusions from a bargaining unit.

Looking at the exclusions first, the Changing Workplaces report minced no words in its recommendation to end exclusions from the Labour Relations Act of agricultural, horticultural and domestic workers, as well as dental, land surveying, legal or medical professionals working in their field.

On professionals, Mr. Mitchell and Mr. Murray wrote—and I will quote, because I could not say this better myself—“This prohibition directed at professionals employed in a professional capacity is inconsistent with, and contrary to, the constitutional guarantee of freedom of association.”

They further state that “the LRA should be amended to extend coverage to members of the architectural, dental, land surveying, legal or medical profession entitled to practise in Ontario and employed in a professional capacity....” We agree.

1450

After five years of fighting for voluntary recognition of Legal Aid Ontario lawyers' collective bargaining rights, we have seen first-hand the need for Ontario to come in line with the Supreme Court's ruling that collective bargaining rights are charter rights. Failing to end these exclusions will only result in costly, time-consuming legal battles that aren't in anyone's interests.

Secondly, I would like to address the issue of management exclusions. The existing legislation does not define the term “manager,” but does exclude managers from bargaining units via section 1(3)(b) of the LRA. Through established jurisprudence, it is clear to all parties that whether an employee has the title “manager” is actually irrelevant. Rather, it has been narrowed to the question of whether there is a conflict of interest created through their representation by the union, given a worker's obligation to their employer. Unions and employers need a bright-line test to help settle disputes over who is and is not correctly classified as a manager.

Further, Ontario needs a streamlined process at the labour board to ensure disputes over the classification of managers are resolved efficiently. This process should mirror the one set out in section 99 of the LRA for jurisdictional disputes. Specifically, a hearing should not be required for the board to render a decision on a management exclusion. If it's of interest to this committee, I would be pleased to give some detail during the question period of a specific and current example of how the system is harming the interests of unions, employers and the public.

To summarize, we request amendments to Bill 148 that end all exclusions from collective bargaining that were recommended in the Changing Workplaces report. Further, we recommend introducing a bright-line test for management exclusions from bargaining units based on existing jurisprudence and the introduction of a streamlined process for resolving disputes over management exclusions.

Thank you for your time. I would be happy to answer any questions.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster.

Ms. Cindy Forster: Thanks for being here today. So the first piece is about the exclusions. We've heard from a number of presenters here today about those exclusions. Why is it that you think the government chose to exclude these people, particularly when I look at the list: the legal aid and the medical professionals whose income,

generally, is funded through the government? I don't understand myself why they have been excluded in this process, particularly with the recent decision around the RCMP and other public service employees.

Mr. Scott Travers: I struggle myself to actually understand the rationale. It was a clear recommendation in the Changing Workplaces report. As you say, it is a charter right and it has been recognized as a right; I think it's really important to remember that. This isn't a privilege. It is a right, and it should only be withheld if there are very clear and definable reasons.

I think there was some history for professionals. For example, if you look at lawyers, I've had some conversations with people who don't understand that many lawyers are currently working as employees, that they are not partners in a small firm but rather they're wage earners in a larger organization who have very little control over their own terms and conditions. I think it's that lack of understanding that perhaps drives some of it, and that is what came through in the Changing Workplaces report, that that's a misunderstanding.

I've heard people talk about a conflict of interest between professional ethics and being in a union, and concern that if professionals are in a union, it will cause a conflict with their ethics. But again, there really is no evidence of that. In fact, what we see in our union is that professionals who are working as employees and can't control the workplace actually often look to their union to enforce their professional ethics and standards. So it is unclear to me why it has been excluded from Bill 148.

Ms. Cindy Forster: My second question is around the streamlined process for resolving management exclusions. I did a lot of organizing in my day and spent a lot of time at the labour board. It can be a very long, onerous, drawn-out procedure with lots of evidence and lots of days' testimony, to try to figure out who is in and who is out of the bargaining unit.

Now, in those days it was like if you hired, fired, disciplined or made effective recommendations, you were out; otherwise, you were in. Has that changed?

Mr. Scott Travers: No, that is still essentially the test, but the problem is that opens the door, because it's a very narrow process. While there's lots of jurisprudence, it opens the door to a long hearing process to go through that.

I have a current example where we did a vote at Ottawa Hydro last September, and it's anticipated that we're not going to have the results of that hearing process until 2019. What's happening there is, in a company of 550 people, the employer is asserting—we filed for 110 of the professional staff who aren't in an existing union. The employer has asserted that 100 of that 110 exercised that kind of managerial authority. Because there's nothing in the legislation to provide clarity or a streamlined process, we're faced with hearings. The employer submitted 10,000 pages of evidence. It's the employer's position that it requires 150 managers exercising that kind of full authority to supervise the remaining 400 individuals.

We estimate that Ottawa Hydro will be spending up to \$1 million arguing over jurisdiction in this one situation where we've had a vote of 110 staff. That's \$1 million that will go directly onto the cost to ratepayers in Ottawa because of lack of a clear process and because of arguing over these kinds of exclusions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The time is up. We'll move to the government questions. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming in this afternoon. You're I think the second presenter in a row that's offering a unique aspect that we're not hearing about from other presenters, which is a good thing because it means we're delving into the bill in a much more exhaustive way.

I'm just wondering—*not having the expertise of Ms. Forster in these issues*—is it an issue of clear definition in the legislation that's a problem, or is it an issue of process? Because I can imagine that in different settings there could be legitimate disputes over who exercises managerial control and who doesn't. It's different in an office than on a factory floor, than in a nuclear power generating station, than in a hospital.

So does it require clear definitions, or does it just require a better process to adjudicate disputes?

Mr. Scott Travers: I believe the answer is it requires both, really. As I say, right now there really is no definition in the act whatsoever. It has evolved over time to the jurisprudence of, as Ms. Forster said, exercising authority to hire, fire, make those kinds of effective recommendations.

The original intent was that management should be able to have a management team that didn't suffer from a conflict of interest, but all that was written was "managers are excluded," so there really does need to be a bit more meat on the bones; otherwise, the process does get open to abuse. Certainly we've seen many situations where with what would be called in any capacity a lead hand—a person who is signing time sheets, just verifying attendance, just scheduling crews—we end up in a dispute over whether or not they're managers.

Again, I'd like to go back to the idea that this is a charter right. If you're going to remove somebody's rights to be in a union, as guaranteed under the charter, you really need a bit more invested in the definition of why you would do that.

1500

To your point: Absolutely, there is a process issue as well. In this situation, this is really quite abhorrent behaviour, when there's a claim that you require 150 managers over 400 staff. That's not even one for three. If you think about that kind of ratio, the process shouldn't allow that kind of—

Mr. Peter Z. Milczyn: It might be raising other issues about how Ottawa Hydro is being managed.

Mr. Scott Travers: Yes.

Mr. Peter Z. Milczyn: Finally, are there any other comments that you have on what is included in Bill 148, in terms of increases in minimum wage; protection for

part-time workers; access to joining a union and collective bargaining; increases in leave and vacation time?

Mr. Scott Travers: As I said at the beginning, there's a tremendous amount of laudable work in Bill 148, and we're very pleased that things are moving forward.

We are active within the OFL and I am on the board of the OFL, so we do support their more detailed submissions on those kinds of issues.

Our members are quite supportive of improvements, for example, to the minimum wage, even though it doesn't, by and large, affect our members directly. They understand the impact it has on the quality of our society in Ontario. Our members are quite supportive of that and quite supportive of improvements to the Employment Standards Act.

There are a couple of specific tweaks, which we'll detail in our written submission. There are a couple of small, detailed items that we would like to comment on, and we will. But certainly we're pleased to see the improvements that are at least on the table.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the official opposition. MPP Yakubuski.

Mr. John Yakubuski: Thank you, Scott, for joining us and for making the effort to come up here.

You said you'd be pleased to elaborate on a specific example, and I take it that that is the Ottawa Hydro example.

Mr. Scott Travers: Yes, it is. I did it quickly because we were running short on time.

Mr. John Yakubuski: You and I have had a chance to briefly discuss that, as well.

To put it in a nutshell, would you say that what you vehemently and legitimately oppose—that the definition of a manager should not be something that is played with simply to deny the right of a group of people to join a trade union or organize one, and be prevented from doing so, simply on the basis of a broad definition of management?

Mr. Scott Travers: That's absolutely right. When we looked at the unit at Ottawa Hydro, out of the 550, we absolutely agreed that 70 of those people were indeed true management and human resources people. It's not in our interests to try to organize people like that. Frankly, we don't want a conflict of interest within the bargaining unit any more than anyone else does.

When we went to look at the staff who weren't currently in a union, we set that 70 aside. We looked at the rest of them. There were a few where, for reasons of access to information, or the scope of the work, it didn't fall in with where we traditionally work, and then we got it down to 110.

You're absolutely right: It's just not a process that should be gamed. Being in a union is a right. There needs to be a legitimate reason to withhold that right.

Mr. John Yakubuski: So are we saying that this million dollars—how many million dollars for legal?

Mr. Scott Travers: Our estimate is that Ottawa Hydro will spend about a million dollars. They have

engaged two senior counsel. Their written brief was 10,000 pages. What they've asked of the board is, they want full hearings to interview each of the 100 people they've said should not be allowed to be in a union, so they can examine them, talk about what their daily duties are, to try to ascertain whether they exercise that executive authority.

Mr. John Yakubuski: You don't even dispute 70 of them, though.

Mr. Scott Travers: No, we don't. The 70 aren't part of the 100. That's right, yes.

Mr. John Yakubuski: So it really comes down to 30 or 40.

Mr. Scott Travers: No, no. The 70 were over and above the 110.

Mr. John Yakubuski: Oh, over and above the 110?

Mr. Scott Travers: Yes.

Mr. John Yakubuski: Okay.

Mr. Scott Travers: That's my point. There are 550 people at Ottawa Hydro. Two hundred of them are non-union; the other 350 are in an existing union—a trade union. Most of them are in IBEW. Of the 200 who aren't in IBEW, we tried to organize 110. We recognized that 70 of the remaining were clearly management.

Mr. John Yakubuski: Okay. I understand the numbers now. I think it comes down to my basic question then. We shouldn't use looseness, and what you're asking for is a tighter—what are you calling it? A bright line or—

Mr. Scott Travers: Yes, a bright line.

Mr. John Yakubuski: Would that be your way of saying that we need a really tight definition of what constitutes a manager?

Mr. Scott Travers: Yes. We need a bright line. That will save money for everyone. As I say, it's costing a lot of money—

Mr. John Yakubuski: Maybe not the lawyers.

Mr. Scott Travers: Maybe not the lawyers: good point. To my earlier point, we'd like to represent more of them—maybe not the lawyers. But it would save, certainly, other people money.

The other thing is that it's a tremendous barrier to unionization. Really, this is part of the Changing Workplaces Review: to recognize that the nature of work has changed since the 1940s and 1950s. There's a lot more knowledge-based work now. There's a lot more service-oriented work now.

This falls into part of it. There are a lot more people sitting at a desk, doing knowledge-based work, and it becomes a lot more confusing if an employer wants to try to claim that they're managers. What it ends up being is a large barrier to unionization. It's not easy for a union to sign people up in the first place, and then to face the kind of year-and-a-half-long battle over definitions of exclusion at a board hearing. We don't use quite as expensive lawyers as the employer, but obviously it's a very difficult process for unions as well.

Mr. John Yakubuski: None of them come cheap.

Scott, thank you very much for your submission today. I really appreciate it.

Mr. Scott Travers: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much, Mr. Travers. If you have a further written submission, please send it to the Clerk by 5:30 p.m. on Friday, July 21.

Mr. Scott Travers: Thank you.

DR. ERNIE EPP

The Vice-Chair (Ms. Ann Hoggarth): We're still having technical difficulties, so we will move on to the next presenter: A. Ernest Epp, professor emeritus of history, Lakehead University.

Good afternoon, sir. Could you please make yourself known for the official record and then continue?

Dr. Ernie Epp: My name is A. Ernest Epp, as you've just said, known familiarly as Ernie Epp. I'm a professor emeritus of history at Lakehead University and have a number of other involvements, one of which is relevant to the presentation this afternoon.

I appreciate this opportunity to make a presentation on a very important piece of legislation. I serve as chair of Christian Outreach and Social Action for the Cambrian Presbytery of the United Church of Canada, which is northwestern Ontario.

In that role, I've become familiar with the work of the Interfaith Social Assistance Reform Coalition. The Rev. Dr. Susan Eagle wrote to the special advisers whose work preceded the presentation of the bill to make a number of points in support of changes and improvements in the workplace of Ontario:

"First, because as people of faith, we believe that every human being has value and dignity, and thus our public policies and employment/labour relations standards must reflect this belief in the value of every human being. Secondly, for nearly 30 years we have advocated for measures to reduce poverty in Ontario, and we are deeply concerned about current employment practices that are deepening poverty, uncertainty and stress for tens of thousands of Ontario workers and their families. Thirdly, the government has committed itself to poverty reduction, and action to improve the lot of precarious workers must form an important element of this poverty reduction strategy."

The workplace is central to industrial society. It's the place of production, it's the source of income and it's, of course, the site of struggle between employers and employees, as we just heard in another setting. This struggle finds its ultimate focus in negotiations between employers and their employees.

I won't expand on those realities, although one could certainly talk about the history of it. My perspective on the workplace is a rather unusual one, although I think that each of you, as a member of the provincial Parliament, will be interested in thinking about its role in the fiscal development of the country.

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I began studying Canada's fiscal history since the Second World War a number of years ago, and I came to understand how Canada works in a very different way than I had realized earlier. I have in fact come to see the central role of Canadian workers in maintaining the prosperity of our country, both as doers and makers, and thus earners of income, and as buyers of goods and services, whether directly or through government via the tax system.

To study the public accounts of Canada in the context of our national accounts is to see how vital labour income is—wages, salaries and supplementary earnings—in both supporting personal expenditure on goods and services and providing the source of the steadiest revenue flow to the federal government. A remarkable fact is that labour income has only declined from one year to the next once since the Second World War, and that occurred in 2009, during the great recession.

I've included a number of tables from the work of Statistics Canada, the first of which focuses on labour income and gives you an opportunity to peruse the succession of flows. The second table focuses on the statistics of gross domestic product on the expenditure side, and of course reveals the importance of labour income in both personal spending and government spending.

When we think about the activities of the federal government in relation to Canadians, both in the receipt of the taxation flows of various sorts and in the disbursement of that money, the expenditures on goods and services are in fact a relatively small part of the total departmental spending. Vast amounts flow to individuals—for example, in the Old Age Security—and, of course, large amounts flow to the provinces, particularly for support of our health care system.

The importance of labour income—this steady flow, a flow that is enhanced by effective labour legislation, if you will, which allows workers to organize, to negotiate an appropriate and a good share of the income, the profits of the revenue, of companies to themselves, and then, of course, so much of it is passed on—this is of vital importance to all Canadians and, not least of all, of course, to the province of Ontario.

These fiscal insights, it seems to me, provide us with support for expansion of union rights and encouragement of collective bargaining. Unions need to be supported in their efforts to improve the wages that their members earn. Personal income tax, based so largely on labour income, is central to fiscal success. Improving wages is particularly important when corporations pay such a small portion of their own profits in corporation taxes.

I will be concluding with that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. Your time is up. The first round of questioning will be to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you, Professor Epp, for coming in today—again, another presenter who is raising a different perspective on this.

I appreciate the fact that you said you are approaching this issue from the perspective of a person of faith, because I certainly know that in my own community of Etobicoke—Lakeshore, a number of the churches—Royal York United church, Islington United Church and others as well—have been approaching me for quite some time over the issue of a living wage, the \$15-an-hour minimum wage, and a number of other social justice issues. So I appreciate that perspective that is being brought on it, and it's being brought from people from a very wide range of perspectives. Many of them are actually business people who are members of the faith community in my riding and who are pushing these issues as important for the benefit of society.

I was just wondering, in terms of Bill 148 in this community, the Thunder Bay community—increasing the minimum wage, providing better protection for precarious work, for people who are juggling multiple jobs, who are doing shift work—what you think the impact of the provisions in this bill would be.

Also, do you think it would actually attract more people back into the workforce as well?

Dr. Ernie Epp: I think the impact can be significant. Measuring it, of course, would be a challenge. But I'm sure it can be there, as the Basic Income Pilot project here in the city will surely ascertain as well.

I'm involved now in a study in the community on the role of government in the prosperity and well-being of Thunder Bay. One of the ways in which government does enhance prosperity and well-being is by effective legislation. In this case, good labour legislation, which would make it easier for unions to organize, will enhance the minimum wage and will improve the wages of others who are already above minimum wage but who will get the bump up.

Anything that reduces precarious employment these days and improves the situation of people at Lakehead University—for whom I feel very deeply, having come through a long career there much more comfortably than many of them do now—any legislation of this sort that can be passed which will improve the situations of citizens and workers in this city, potential or real, is going to make it a better community in which to live.

Mr. Peter Z. Milczyn: I asked you the last part of my question precisely because you say you've studied the labour history of our country since World War II. That's why I'm wondering whether you see in this bill the potential to create new incentives for work. Have there been occasions in the past where government legislation, action or inaction has actually created disincentives to work?

Dr. Ernie Epp: I don't know that I can say very much on either of those, certainly not on the latter one. I don't see hindrances in the way of disincentives. The possibility that—let me think about that. I'll come up with something for the Clerk by the deadline.

Mr. Peter Z. Milczyn: Well, thank you very much for coming this afternoon.

Dr. Ernie Epp: Thank you for the questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now go to the official opposition. MPP Fedeli.

Mr. Victor Fedeli: Thank you very much, Dr. Epp. It was a fascinating paper. I quite enjoyed reading this, and would love to share even more insight into the financial aspect of this. We're here to talk about Bill 148 today, so I'll focus my questions on that.

I don't know how much of the deputations you've heard today, but we keep hearing that the people who need the most help are the people that we should be helping today. We've heard today from many in the business community that they're concerned that this bill will affect the jobs of the people who may need the most help from us. They have said that the speed at which the increase in minimum wage is being proposed is the biggest concern that they have. It may result in job losses, and they've given their various reasons why. Would a less aggressive approach to achieving the \$15 number work, in your thoughts?

Dr. Ernie Epp: I think the real shame has been that there has been such stagnation in minimum wage, as it were, or lack of increases. If there had been something better than an inflationary increase along the way, we wouldn't have to face what appears to employers as a jump in the level now. That's the really regrettable part in terms of public policy.

As far as the impact is concerned, I understand, particularly for small business people—I've always, if I may say so, felt their pain, obviously entirely vicariously; someone else has used that line before. But I can understand, when they're looking at their own balance sheet and considering the situation in human resources and so on, that they would feel that.

The evidence, however, in other communities has been that with improvement of minimum wages and improvement in the incomes of people, you have an impact on aggregate demand, if you will, to be Keynesian—I'm old enough to do that without any kind of apology, right? It's a shame we haven't been thinking in those terms for decades now. It increases the amount of business that's being done in the community. As a result, some of these concerns that business people feel about the impact of increases turn out to really not be justified. But I can understand psychologically at the outset that you worry about that.

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Mr. Victor Fedeli: It's probably, in their minds, more than just psychological when you consider it is going to be a 33% increase. That's a lot more than thinking about it. It's an actual that's going to happen in six months, which is what I'm hearing from some of the members. But I appreciate your insight on that; I really, genuinely do.

The cost of living and some of the basics that we have in Ontario have risen dramatically, including the price of electricity. We're very concerned, of course, that that has been skyrocketing over the years. I would wonder, in your studies, in your insight, how much that would have

to do with the cost-of-living increases that many are paying.

Dr. Ernie Epp: Any increases in the cost of living will impact people with stagnant wages, if you will, very, very severely. In fact, they're suffering income losses when the cost of living goes up, aren't they? You're tempting me to comment on energy, which isn't the stuff of a short discussion, is it now? There's a long history here in this province and you had better not go into it. I can understand the current government's desire to put some stagnation into that area.

Since costs go up, if we want people to live well, to have the means to keep business going, to foster prosperity for businesses of all sizes, then we need to ensure that the incomes go up. There's been a terrible drive to the bottom. I'm reading on a global level these days some very interesting things that would be a pleasure to pursue too, but that would be too long. But the fact is that we need to do everything we can these days to ensure the well-being of people in our communities and consequently the source of well-being for our governments.

Mr. Victor Fedeli: Part of what you're saying is that this is necessary because these other costs are also so high and—

Dr. Ernie Epp: Yes. In short, yes, political—in 30 seconds.

Mr. Victor Fedeli: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll turn it over to the third party. MPP Forster.

Ms. Cindy Forster: Thank you, Mr. Epp, for being here today. You talked about the remarkable fact that labour income has only declined from one year to the next since the Second World War in 2009 during the recession, so you're talking about total revenues taken in by the province and by the feds in terms of dollars when you take into account inflation.

Dr. Ernie Epp: No, I'm speaking there of labour income—wages, salaries, supplementary earnings.

Ms. Cindy Forster: Right, yes.

Dr. Ernie Epp: That has been a steadily growing amount. The page that you have that I attached to the paper does not in fact lay out the ones that I mentioned—the profits, unincorporated businesses, agriculture and so on and so forth. I gave you the wrong page. In fact, I should probably send the right one along to the Clerk because it makes much more clear that labour income is vital in maintaining a base for economic activity and, of course, making the work of governments, of treasurers and finance ministers easier when they're drawing up budgets.

Ms. Cindy Forster: Right. And you talked about having good labour laws and that labour income actually enhances support for public programs, right?

Dr. Ernie Epp: Very much so.

Ms. Cindy Forster: Health care and education and all those things.

It has been said quite often by a number of groups that I meet with that people, though, feel today—even people who are not the working poor, working at minimum

wage—that they are far worse off in terms of real dollars, in disposable dollars, than they were in 1994, more than 20 years ago, because of the rising cost of living and the wages not actually keeping up with that cost of living.

Dr. Ernie Epp: I might begin a few years earlier because the recession of the early 1990s had a devastating effect on many Canadians. We can only need to note the free trade agreement, the goods and services tax and John Crow's battle against inflation, which drove governments into deficit, and in the process, of course, also casting many people out of work. The budgets and government actions of the mid-1990s, both the Chrétien and Martin governments—Mr. Martin's budget of 1995 particularly was devastating for many people, and the Harris cuts on social assistance, of course, similarly so.

Many people do feel a good deal less well off since 25 years ago, shall we say. That would take it back to 1992. The opportunity for you in the Legislature to pass a bill that will enhance the position of working people and make it possible for them to improve their incomes would be a very good thing, in my opinion.

Ms. Cindy Forster: Right. You also comment here that you believe that the federal deficit over the last 50 years is a result of large corporations not contributing as much of their profits as maybe they could.

Dr. Ernie Epp: On a global basis, one can say that the neo-liberal policies that were developed from circa 1970 were ones that were designed to enhance profits and to leave working people and others in weaker positions, and in Canada it happened to be the government of Pierre Trudeau that played its part in those sorts of policies. The failure to implement the Carter commission recommendations in the late 1960s to enhance the tax system at a time when medicare was being established and a very significant part of the health care costs of the country were being shifted into the public budget—that was a grievous mistake and we've been paying for it ever since. We pay for it now in lack of departmental revenues in provincial governments. Schools, universities, education—the health care system has the Canada Health Act, which came in in 1983 or 1984 to ensure that that would be kept up. There was no post-secondary education act, which is what my successors at the university are suffering from in the educational system. Every area of spending—I suppose highways in the province, although we appreciate the twinning taking place to the east of the city these days for sure, but in every area, it's been difficult to do what governments should be doing.

Ms. Cindy Forster: Thank you.

Dr. Ernie Epp: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you could send them to the Clerk by 5:30 p.m. on Friday, July 21. Thank you very much, sir.

I just would like to know if Claire Littleton is here. Claire Littleton? No.

ONTARIO ENGLISH CATHOLIC
TEACHERS' ASSOCIATION,
THUNDER BAY ELEMENTARY UNIT

The Vice-Chair (Ms. Ann Hoggarth): The next presenter will be the Ontario English Catholic Teachers' Association, elementary unit, please. If you could identify yourself and then proceed.

Ms. Pam Colledanchise: I'm Pam Colledanchise. Good afternoon. It is my pleasure to speak to you today on behalf of the Ontario English Catholic Teachers' Association, or OECTA. OECTA is under the umbrella of the Ontario Federation of Labour and represents 45,000 members who teach more than half a million students across Ontario. I am a teacher with the Thunder Bay Catholic District School Board and an executive member of our local labour council. Today, I'd like to briefly speak with you about three specific areas of Bill 148: domestic violence, the \$15 minimum wage and the proposed exclusions in the legislation. They are of particular importance to me, both as a teacher and as a parent. My colleague Solange Cote is also here with me today.

As teachers, we see the effects of domestic violence. We see it in our colleagues who are survivors; we see it in children who bring this pain and mental anguish with them to school where it impacts their work and academic achievement; we see it in parents who are survivors. We've seen colleagues go through tremendous suffering. As victims not of their own choosing, they experience a whirlwind of emotions: shock, grief, despair, guilt, anxiety, denial, anger, self-doubt, depression, insecurity, disbelief and on and on, often all at once. They are in crisis.

The suffering does not end at home either, as it goes to work with them. Sometimes it is a harassing phone call or a threatening text. In one extreme case in Mississauga, an estranged husband followed his wife to school and shot her to death in the school parking lot. A partner can hide or steal vehicle keys, and can refuse to care for or abuse his own children.

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There are critical steps involved in leaving an abuser, and these steps take time. Without adequate access to this, a victim can be left in a position of economic vulnerability. While we appreciate the government's recognition of domestic violence, as proposed, Bill 148 falls drastically short of what is needed to ensure that survivors get what they need: the time necessary to leave such a relationship.

By having workers use their personal emergency days, it cripples them when they go to use them for other purposes, such as illness or bereavement, later. What's really needed is a separate designated leave for survivors of domestic and/or sexual violence, where employees are entitled to 10 paid days of leave and 60 unpaid days of leave in each calendar year. This will provide time for victims to address a number of issues that require immediate attention, such as locating shelter, seeking

counselling and attending court proceedings. It will also help them leave abusive relationships sooner, without fear of losing income or their jobs.

Another area we'd like to address under the Employment Standards Act is the need to remove all exemptions to the minimum wage. We are glad to see that Bill 148 is proposing to implement a \$15 general minimum wage by 2019. However, there are workers who will be receiving a lower minimum wage even at that point, including liquor servers and students.

My niece is a trained liquor server who is currently earning her way through university in this capacity. I do not want to see her needing to tolerate sexual or other forms of harassment from customers to get tips in order to further her education. Given that nearly 75% of liquor servers are women and 20% of liquor servers earn less than the general minimum wage after tips, this is cause for concern. There is no good reason why any liquor server should be paid any less than any other employee in Ontario.

Ontario is also the only province in Canada with a lower minimum wage for all students. This provision is discriminatory, as it suggests that the work of youth is valued less than that of others. This in turn may result in lower self-esteem and feelings of inferiority. It also promotes age bias and may be seen as violating the Canadian Charter of Rights and Freedoms.

Shocking, too, is that not all workers are currently covered by the Labour Relations Act. How can workers exercise their constitutional rights if they do not have access to them? I am concerned for the future of my nephew, who is a Web designer—which is related to information technology, one of the exempt sectors. He has had two successive contracts with the same employer, which have been renewed annually for up to three years at a time. You would think that after six years of continuous employment, he would be considered a permanent employee, but they just keep stringing him along. How is he supposed to buy a house or raise a family with this instability?

Given that the exclusions are inconsistent with the principle of universality, the Labour Relations Act and Employment Standards Act need to ensure that all employees are included in their coverage. All workers deserve respect by being given a say in their work environment and by being protected. Let's not wait an entire year to review the situation. Let's raise the bar for all workers today, to create a better workplace for the next generation.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The first round of questioning will go to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming in this afternoon and sharing your comments with us. I'm pleased that, as the afternoon progresses, we're getting unique perspectives coming forward. The morning tended to all be on one issue. So I really thank you for that.

You raised the issue of victims of domestic violence. You're saying there should be a specific category of 10 paid days and 60 unpaid days per year allocated specifically to those individuals for paid and unpaid time from employment.

Ms. Pam Colledanchise: Yes, for domestic or sexual violence—separate from the PEL days that are already—

Mr. Peter Z. Milczyn: I just wanted to be clear on what your recommendation was.

You spoke about the minimum wage. I assume that your union's position is that you're in favour of the \$15-per-hour minimum wage?

Ms. Pam Colledanchise: Absolutely. Without exemptions.

Mr. Peter Z. Milczyn: The two exemptions that are being proposed are the server exemption, which is consistent with what we have always had in Ontario, and the student exemption. I heard what you said about your niece and that she may feel that she has to put herself in difficult situations to secure better tips.

Ms. Pam Colledanchise: I'm not saying that. I'm not saying that she is currently, but given the description of her—

Mr. Peter Z. Milczyn: The theoretical.

Ms. Pam Colledanchise: Right.

Mr. Peter Z. Milczyn: Yes.

Ms. Pam Colledanchise: It could happen.

Mr. Peter Z. Milczyn: We had some other deputants earlier this morning who were speaking to this issue from the perspective of the restaurant industry, claiming that servers' combination of wages and tips already well exceeds \$15 an hour. I'm just wondering what your view is on that.

Ms. Pam Colledanchise: But that doesn't always happen. As I mentioned, 20% are receiving less than the minimum wage, including tips. So that's still affecting a large number of people.

Mr. Peter Z. Milczyn: Less than the general minimum wage, you're saying, because it's obviously not less than the server minimum wage.

Interjections.

Mr. Peter Z. Milczyn: Then your other point was about exemptions. You feel there should be no exemptions to any of those categories of employee, as it relates to the ability to join a union.

Ms. Pam Colledanchise: Pardon me?

Mr. Peter Z. Milczyn: As it relates to their ability to join a union.

Ms. Pam Colledanchise: Who are you referring to?

Mr. Peter Z. Milczyn: You were talking about—I'm confused. You were talking about exemptions to the general minimum wage, and that it should all just be one category of minimum wage for everybody.

Ms. Pam Colledanchise: Right. Yes.

Mr. Peter Z. Milczyn: So that was one thing. But I thought that you then touched on exemptions of certain categories of workers. Was that related—

Ms. Pam Colledanchise: Yes, from the Labour Relations Act.

Mr. Peter Z. Milczyn: —to labour relations, to their ability to unionize?

Ms. Pam Colledanchise: Yes.

Mr. Peter Z. Milczyn: Okay, I get that. I was wondering generally, though, what your view is on Bill 148 and the provisions that are proposed to protect part-time workers, to ensure that they are paid equally to full-time workers, and the provisions around protecting workers from unreasonable shift changes—maybe not unreasonable shift changes, but certainly shift changes—

Ms. Pam Colledanchise: Like last-minute shifts.

Mr. Peter Z. Milczyn: —without adequate notice. What is your position on those aspects?

Ms. Pam Colledanchise: Those are definitely negative things that need to be improved, and if we can improve them, why not? Right?

I know of people who are working part-time and not receiving what full-time employees are receiving. My son works at Walmart part-time, and his salary is the same, but then when they went to give out shares in a profit-sharing program—he works half-time, but he only received a quarter of the shares that a full-time employee got. I said, "Maybe they made a mistake." He said, no, he'd talked to other people there who were working part-time hours, and they also got a quarter of the amount. So it's not just in wages; it's in other things too.

Mr. Peter Z. Milczyn: Benefits of a variety of sorts.

Ms. Pam Colledanchise: That equality—equal pay for equitable work, similar work, regardless of the number of hours. It should be even, equal.

Mr. Peter Z. Milczyn: So you're generally supportive of the bill. There are a few areas where you have some additional requests.

Ms. Pam Colledanchise: Yes. It needs some tweaking.

Mr. Peter Z. Milczyn: Okay. Thank you very much for coming in this afternoon.

Ms. Pam Colledanchise: You're more than welcome.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the official opposition. MPP Yakubuski?

Mr. John Yakubuski: Thank you very much for joining us today. Do you have a copy of your submission?

Ms. Pam Colledanchise: No, but I'm going to—do you want to look at it right now?

Mr. John Yakubuski: It's okay. You were going pretty quick, because you knew you only had five minutes.

Ms. Pam Colledanchise: Yes.

Mr. John Yakubuski: Are you suggesting there would be amendments to the section dealing with leave in the bill?

Interjection.

Ms. Pam Colledanchise: Oh, yes, with regard to the PEL, the personal days that you can have?

Mr. John Yakubuski: Yes.

Ms. Pam Colledanchise: Yes. There needs to be an additional, separate, number of days for people that are victims of domestic or sexual abuse.

Mr. John Yakabuski: And how would you define that? Would someone have to have been convicted? Would someone self-determine? How would you define the people who would be eligible for that?

Ms. Pam Colledanchise: Yes, there definitely would have to be a definition put in place. I haven't thought that far ahead yet. Yes, definitely.

Mr. John Yakabuski: Right, because obviously we have to be cognizant of—any time we write legislation, we've got to make sure that we're helping the right people and not encouraging someone to take advantage of legislation as well.

So is your organization, OECTA, going to propose an amendment to the committee?

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Ms. Pam Colledanchise: Yes, they are. They're submitting a written brief at a later point.

Mr. John Yakabuski: Okay, and it will be a clearly defined amendment to the bill?

Ms. Pam Colledanchise: Yes.

Mr. John Yakabuski: Okay. That's what we're going to need to see, because I have to understand how it's going to work.

Ms. Pam Colledanchise: I could go back to OECTA and suggest that, specifically—

Ms. Solange Cote: You mean our provincial—

Ms. Pam Colledanchise: Yes, the provincial office—to specifically lay out the terms of that suggestion.

Mr. John Yakabuski: Okay. I know that Mr. Milczyn asked you the question as well, and it's because we had a very, very spirited, I would say, deputant from the hotel/motel/restaurant association with regard to servers. Their position—and I don't have it recorded—was that sometimes they are making \$6, \$7, \$8 more than the minimum wage because of the tips. Are you saying that that's not the case?

Ms. Pam Colledanchise: I'm saying that's not always the case.

Mr. John Yakabuski: Not always the case.

Ms. Pam Colledanchise: In order to cover all employees, there needs to be a bottom line, right? There needs to be a standard to move from, some sort of criteria, that everybody—

Mr. John Yakabuski: But for those who are—let's just say, for the sake of argument, that someone is making \$20 an hour, on average. Thinking about the serving business, you could have a good hour or you could have a bad hour, a good day or a bad day. We understand that. Every day is going to be different. So if someone was making an average of \$20 an hour, do we have to take each person's daily—is the employer going to be responsible for calculating the tips as well, to see if they met that bottom line? How would we make sure that this was fair?

Ms. Solange Cote: Can I just speak?

Ms. Pam Colledanchise: Go ahead. You can speak to that.

Ms. Solange Cote: I think, like she said, we should have a bottom line. It should be \$15 an hour. If you're serving—first of all, not everybody is a server, and not everybody wants to do that job.

Mr. John Yakabuski: We understand that.

Ms. Solange Cote: It's gruelling, right? Okay. So the people who are doing it, if they're really good at it, they make more than what other people do. That's good. Why are we punishing these people? Some days are bad. You might go on a shift and you might just have two tables and, guess what? The \$9 an hour—not good. I didn't make a lot of money today. Some days, you might make \$20 on your shift. But it varies so much. We can't depend on that, to say, “Well, because you make that much money, we're not going to raise you.” It should be \$15. I really feel that, because my daughter is a server as well. She'd come home some days and it was horrible, and some days, it was good.

But to go back to the poverty part, when we're trying to reduce poverty in Thunder Bay and everywhere else, basically, in Canada, why is it so bad that some people—most of these people are students. Why not let them make extra money? They just happen to work harder and they make \$300 extra. They pay off their debt from university. They might be able to start saving for a house.

It's like we want to keep people lower. They should have room to grow. They should have room to make money and maybe save money. But it's like, “No, we don't want you to save money. Sorry, you're making too much money tonight.”

Why not, you know? We should aim for taking care of our people. If you want to take care of the greater community, we have to take care of our own people, and that's the poorest to the richest.

But we can't ride on the backs of these people who are, like, “I'm working hard. I'm going to work five shifts. I'm going to make extra.” “Sorry. You've got all that initiative, and you want to make extra money? We can't let you have more money.”

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. John Yakabuski: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): We now move to MPP Forster.

Ms. Cindy Forster: Thank you so much for being here. I want to go back to the paid leave and the sexual violence leave, because the government is proposing that it would only apply to workplaces with 50 or more employees. We know that many workplaces in Ontario today—the world has changed—have less than 50 employees, so it would exclude a lot of employers.

The proposed legislation would also ensure that all employees are entitled to 10 paid emergency leaves per day—

Interjection: Per year.

Ms. Cindy Forster: —including two paid days. Only two of those days are paid. That paid emergency leave includes sick leave. It includes bereavement leave. It

includes if your child is sick. It includes domestic or sexual violence. It would come into effect in January of next year. What you're suggesting is beyond that.

Ms. Pam Colledanchise: Yes. There's a definite need there, and we see it at all levels of work.

Ms. Cindy Forster: Giving somebody who had been sexually assaulted or had been in a domestic abuse situation two paid days doesn't necessarily—particularly if they're not working in a unionized environment, where they might have sick days under a collective agreement, right? With only 30% of the workforce unionized in the province, that would leave a lot of people out in the cold with nowhere to go and no money. That's the message, right?

Ms. Pam Colledanchise: Yes. That's definitely it.

Ms. Cindy Forster: It needs to be separated out from the rest of this paid emergency leave.

Do you have any other issues with anything here in Bill 148?

Ms. Solange Cote: We have a lot of issues.

Ms. Pam Colledanchise: We have a lot of things we were going to say. It was hard to—I had to cut half of my speech down.

Ms. Cindy Forster: If you want, you can use a couple of minutes and finish it, if you like.

Ms. Pam Colledanchise: No, I said everything that I was going to say today here.

Ms. Cindy Forster: Okay.

Ms. Pam Colledanchise: In my heart, everybody needs to be equal. I come from a religious background as well. Everybody has a spirit to me, and we're all equal. We're all equal. Equality may look a little bit different for some people but, as you were saying, to ride on the backs of people who are in poverty, that's not the society that I want in Canada, let alone Ontario or here in Thunder Bay. It's not what we're on this planet for. We're here to treat each other with respect and dignity, and I really think that—by the things that I mentioned and also paying part-timers what they deserve.

Ms. Cindy Forster: And you raised the issue that equality isn't just about the hourly wage they make. It's about benefits; it's about sick time.

Ms. Pam Colledanchise: It's all of those extra things.

Ms. Cindy Forster: It's about contributing to the pension plan or the profit-sharing plan, whatever there happens to be in those workplaces. So to have somebody working in a contract for five or six years and just getting a wage is really not equal. That's not equality, and that's not what we want for the people who live in this province.

Ms. Solange Cote: Right. I agree.

Ms. Cindy Forster: Thank you so much for coming.

Ms. Pam Colledanchise: Can I just share one more story?

Ms. Cindy Forster: You can, yes.

Ms. Pam Colledanchise: I still remember back in 2002, I finished working, as a student for many, many years, and I got a pay equity cheque for \$10,000. I still have the pay stub to this day, because it meant so much

to me. It was just incredibly powerful, that cheque, the fact that I could be equivalent—at that point it was gender equality, right? So even though I was compared to a custodian to get that cheque, it still resonates with me today because it's so powerful. It just gives me a tingle that you're considered equal with somebody, you know? Just on par with somebody.

Ms. Cindy Forster: So were you a teacher at that point?

Ms. Pam Colledanchise: No—aspiring to be one, but not there yet, nope.

Ms. Cindy Forster: Well, nurses were compared to pastry chefs at that point in time, too, so I hear you.

Ms. Solange Cote: Can I just say one thing as well?

Ms. Cindy Forster: Sure.

Ms. Solange Cote: I chair the human rights committee for OECTA, and I was in the status of women, provincially, this year. Those two issues, dealing with women's issues, violence and especially about raising awareness of what I call my own people, my own teachers—I've started a lot of initiatives. I feel that unless we can connect to the heart of the people, like the poorest of the people or mental health or violence in homes, unless I can raise that awareness within my own teachers, then I think we're lacking a big piece. There's a big gap between doing work and being compassionate toward the work. Nobody wants condescending compassion. You really have to understand where people are coming from.

I think it's important to really remember that when we're trying to do these bills, it's not just on paper. We're trying to understand what the poorest of people, or the students—how much they're struggling.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a written submission, if you could get it to the Clerk of the Committee by 5:30 on Friday, July 21. Thank you.

KINNA-AWEYA LEGAL CLINIC

The Vice-Chair (Ms. Ann Hoggarth): The next presenter will be Kinna-aweya Legal Clinic, and the official opposition will begin the questioning after five minutes. If you could please identify yourself for the record, and then go ahead with your presentation.

Ms. Claire Littleton: Certainly. Thank you. Good afternoon. My name is Claire Littleton. I'm a staff lawyer at the Kinna-aweya Legal Clinic. Forgive me, I'm a bit congested, but I'll do my best to be as clear as possible. We felt at our office that it was important to present to you today because of our work with low-income Ontarians.

I wanted to give you a very brief background about our organization. We are a community legal clinic here in Thunder Bay, funded by Legal Aid Ontario. Our name, Kinna-aweya, is an Ojibway word meaning "everyone." We serve the entire low-income population of the district of Thunder Bay and we practise primarily in the areas of

income maintenance and housing. I speak to you today from that perspective.

1550

I wanted to begin by talking about the impact that an increase in the minimum wage would have on our clients.

Our clients are primarily individuals in receipt of social assistance, both First Nation and non-First Nation people, indigenous and non-indigenous. I can tell you with certainty that most of our clients would rather be working than be in receipt of social assistance, and that is not always a realistic possibility for people. Partly, that has to do with personal circumstances, with a lack of education, or a disability or other personal circumstances. It has to do with the labour market, and it has to do with the low wages that our clients earn at the kinds of work that they are qualified to do.

There are several changes in the bill that I think would have a very large impact on our clients. In particular, increased wages would mean that people would be more likely to be able to work themselves off of social assistance programs. In Ontario, as I'm sure the committee is aware, a single individual on Ontario Works receives \$706 per month to cover all of their expenses. In order to work themselves off the program, because of the way that the earnings rules apply—which I'm happy to provide more information about—they would have to earn between \$1,600 and \$1,800 a month. At the current minimum wage rates, that's nearly impossible for our clients in the kinds of work they're able to do.

People on social assistance are primarily employed in casual, temporary, marginalized work in places where it is completely unrealistic, at the current minimum wage levels, that they would be able to earn enough to get off of social assistance. However, an increase to the minimum wage, as proposed in the bill, would mean that 30 hours of work a week, at \$15 an hour, would make a single person on social assistance ineligible for Ontario Works.

Our clients certainly want that. I'm sure the provincial government is interested in people working themselves off of the programs that are funded by provincial tax dollars.

We know that the kind of work that our clients do is more likely to be minimum wage, and that they need this wage increase in order to get off of social assistance programs. This would be a benefit to our clients as individuals, it would be a benefit to the province, and it would certainly be a benefit to the community of Thunder Bay.

Another point that I wanted to make is that very often in the poverty reduction discussion, the issue of increases to social assistance rates comes up. I understand that that's not what this bill is about. However, there is often an argument put forward that we can't raise the shockingly low social assistance rates in Ontario because it would be unfair to minimum wage workers, because somehow, if somebody on social assistance makes one more dollar than somebody who's working at minimum wage, then that's an unfairness that we can't tolerate.

An increase to the minimum wage would allow a response to that argument, which would be that social assistance rates could go up—and alleviate some of the extreme poverty suffered by people on social assistance—if the minimum wage increased as well.

Another important point, I think, is that an increase in the minimum wage, particularly in Thunder Bay and communities like this, would be supporting the local economy. From my perspective, in the work that I do, I feel most well equipped to speak about the housing issue in Thunder Bay.

Most of our clients rent their homes. They have very limited money to pay their landlords. We know that there's an affordable housing crisis in Ontario, and certainly in this community, there's a significant affordable housing crisis. Most of the private rental market in Thunder Bay is locally owned; it's owned by people in Thunder Bay. With more income, our clients would be able to pay more to rent from local landlords, keeping the money local. This would improve the quality of affordable housing in this community, because landlords would have more incentive, and money, to have good-quality housing available to tenants. I think it would benefit both landlords and tenants. It's very rare that, as a tenant advocate, I ever have that opinion about anything, but I think that in this situation, having a little bit more cash flow from tenants, who are then able to pay a bit more to landlords, will improve the circumstances of the landlords—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Ms. Littleton. Your time is up.

Ms. Claire Littleton: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll now turn to the official opposition. MPP Yakabuski?

Mr. John Yakabuski: Thank you very much, Claire, for joining us this afternoon. You're very passionate about what you do; I can see that by your submission. However, there's always another angle, right?

Ms. Claire Littleton: Of course.

Mr. John Yakabuski: You talk about so many of your clients working for minimum wage getting some hours. We've also heard today from people who have said, "If the minimum wage goes to \$15 an hour on this timetable, those are actually the jobs that I'm going to be cutting; I'm going to be eliminating those jobs." If your clients don't have that job to go to, even if it's not a full-time job, but they are working some part—they are part on social assistance and part earnings from employment. How can we be sure that in the freedom of the marketplace, some of the people who actually lose the opportunity for a job are not the very people who you're trying to help?

Ms. Claire Littleton: I'm just going to preface this by saying that I'm not an economist. I don't have that background. I'm a lawyer who advocates for poor people.

However, from everything that I've read, there isn't evidence to demonstrate that employment rates go down,

that unemployment rates rise, when minimum wages increase.

Mr. John Yakabuski: We have testimony today that says that's exactly what's going to happen.

Ms. Claire Littleton: I read an article in the *Globe and Mail* today—it wasn't published today, but I read it today—by some senior economists who disagree with that perspective. I'm persuaded by that argument. Obviously, there are counterpoints—as a lawyer, I understand that—in all circumstances.

I do think that there is always going to be a need for somebody to work at the car wash, that there is always going to be a need for somebody to work at the gas station, child care providing—the kinds of jobs that my clients really do have. The need for that work is not going to go away. So while small employers may restructure things to some degree, I think that those jobs will continue to exist. Whether it's one person who's working full-time and one person who's working half-time instead of some previous arrangement that there was before—that is going to benefit my clients and the kinds of work that they are able to do. While there may be changes in terms of how employers decide to distribute their resources, the need for that kind of work will always be there.

Mr. John Yakabuski: If those employers are saying, “We agree that wages need to be adjusted, but we don't believe we can transition in this short a time frame. We can transition in this time frame, which extends the implementation period”—how would you feel if that was the response?

Ms. Claire Littleton: I honestly feel that you're asking me to answer a question that's completely outside of my area of expertise. I don't feel that I have an informed position to share with you on that topic.

Mr. John Yakabuski: I'm just thinking of your clients. We don't want to see the opposite effect of what is desired happen. And that's what we're hearing from so many small businesses.

Ms. Claire Littleton: Certainly. My clients have been suffering for 20 years on the social assistance rates that exist in this province. Any increase in social assistance rates is going to be an improvement. However, the exact timeline that's most appropriate—I don't feel that I have the expertise to speak to that.

Mr. John Yakabuski: My colleague Mr. Fedeli has a question.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: Thank you for your deputation. I wasn't going to speak, but it's interesting that you did mention the car wash and the gas station, because somebody here earlier was saying, “Watch out. You're going to see all these jobs become automated. In the grocery store, you're going to see 28 checkouts automated instead of eight.” You mentioned the car wash and the gas station, and those are two that are so automated already. I don't recall the last time I actually saw an attendant. You put your card in, you pump your gas, and you drive away. You don't see anybody anymore. It does

concern me. Would it be something that you think is a concern?

Ms. Claire Littleton: Automation of these kinds of jobs? Certainly. Although I think that it's important when you visit—for example, in the north, there are gas stations—

Mr. Victor Fedeli: I live in North Bay.

Ms. Claire Littleton: Okay. If you drive to Marathon, there are gas attendants who fill your tank at the gas station. Those small communities—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We're going to move to the NDP for questions now. MPP Forster.

Ms. Cindy Forster: We could continue that conversation because, in fact, automation is happening anyway, right?

1600

Ms. Claire Littleton: Yes.

Ms. Cindy Forster: I was in the Royal Bank last week and this young woman came with a clipboard and she said, “Is there something that I can help you with? Could I take you to the ATM?” I said, “No. No, thank you. I actually want to see the teller. I want to do a deposit, and I want to do a withdrawal bigger than I could get out of the bank machine.”

She went on to inform me that the big banks, making billions of dollars a year in profits—within 18 months the Royal Bank will not have any tellers. There will be no wickets; there will be no personal banking. You'll go in there and there will be one person floating around the bank to assist you, whether you're a senior with no computer skills or someone with no ability to do that. They'll help you do your banking on the computer; they'll take you to the ATM.

It is happening, in any event, everywhere. Walmarts have self-checkout and there are more every time you go into a Walmart store. It is happening in any event, right? There are still some gas stations that have a full-service attendant, which I like. But I hear you: The fact is that people that you're dealing with do not have enough income.

I wanted to ask you, do you actually deal with any injured workers who are getting partial WSIB payments?

Ms. Claire Littleton: We don't practise in that area specifically. Many of our clients are receiving those benefits, but also are receiving a top-up from ODSP or from Canada Pension Plan. Those individuals form part of our client population, but we don't at this moment in time practise in that area.

Ms. Cindy Forster: You don't actually do appeals or anything like that?

Ms. Claire Littleton: Not right now.

Ms. Cindy Forster: That issue has actually been raised with me recently because of Bill 148. This is a group of workers who certainly support an increase to the minimum wage, but at the same time, the government isn't proposing any changes to WSIB, so if the minimum wage moves from \$12 to \$15 an hour—which we support—workers who were injured and have been

deemed to be able to work at a job that pays 12 bucks an hour will then be deemed at being able to find a job, a pretend job, that pays \$15 an hour, and so their top-up is actually going to be reduced. They're going to be worse off today than they were prior to the minimum wage increasing because many of them can't work or can't work full-time based on their injury or their afflictions. I just wondered if that issue had come to your attention.

Ms. Claire Littleton: To be honest, it hasn't.

Ms. Cindy Forster: I wanted to raise it and get it on the record so that the government could actually go back and get some clarity around what will happen in those situations.

Ms. Claire Littleton: Sure. Thank you.

Ms. Cindy Forster: I don't know. Is there anything else? You got kind of cut off. Was there anything else that you wanted to share in the last minute or so that I have left?

Ms. Claire Littleton: Sure. The last point that I wanted to make was just with respect to some of the other changes that would benefit our clients, separate from the minimum wage. In particular, many of our clients are single mothers. They're women from First Nations communities who are in Thunder Bay so that their children can go to school or to seek medical attention, and work is very unrealistic because they don't have the ability to make child care arrangements. I just wanted to raise the issue of some of the changes that would benefit these women; for example, the ability to refuse shifts that are offered on short notice, being paid for being on call, and equal pay for equal work for casual and temporary employees.

I think that those changes would really benefit a lot of our clients who want to work, but family care, child care or elder care responsibilities are preventing them from being able to take on work where they may be offered shifts on shorter notice. I think that those changes would really benefit many of our clients who, again, really want to work, but maybe don't have the family resources or the support or the financial resources to be able to make arrangements on short notice.

I also just wanted to mention, and I'm sure you'll hear this from many other people today, that there is a significant lack of family doctors and primary care practitioners in this community—in the district of Thunder Bay, certainly, and in many communities across the province. My husband is a physician in the emergency department here. People come to him for work notes, and that's a terrible use of our resources. People don't have family doctors or primary health care providers to provide those kinds of notes. It means that they miss work longer because they have to sit in an emergency department or a waiting room to get a note from a doctor. It costs doctors time and also it puts people at risk. It puts children at risk of illness, sitting and waiting with their mom while she has to see a doctor to get a note. I was very pleased to see that proposed change in the bill, and I'm certainly hopeful that it will come to pass as well.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. We'll now move to the government for questioning. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you, Ms. Littleton, for coming this afternoon. I'm over here.

Ms. Claire Littleton: I'm sorry. You're back-lit, and I couldn't see you.

Mr. Peter Z. Milczyn: That's okay. I found one comment that you made really, really interesting, and I wanted to pursue that a little bit with you.

You spoke about these changes leading people to work their way off of Ontario Works or social assistance or ODSP or whatever particular program they're on. Something that I was asking other people today was whether they see the changes proposed in Bill 148 as removing some disincentives to seeking employment, by simply offering the potential of a job that would pay the bills, by offering employment that would provide a little bit more predictability around organizing the rest of their life. Do you think that for the clients you work with, for some of them, these changes are what would make the difference of encouraging them to actually go back into the workforce?

Ms. Claire Littleton: I do. I don't think that my clients choose not to work out of—certainly, I don't buy into the argument that my clients choose not to work out of laziness, or because it's easy, living on social assistance. I think it's exactly as you've described: Having unpredictable work makes it impossible to arrange the rest of their lives. So the more predictable nature of knowing the shifts in advance, so that they can make other kinds of arrangements, and of having more of a sense of what their income is going to be in the upcoming months, so that they know they're going to be able to pay their rent because they have some expectation about the kind of work they're going to be offered by their employer—those would make a huge difference in my clients' lives, absolutely, and in their ability to seek employment as a way of supporting themselves.

Mr. Peter Z. Milczyn: We heard from some deputants earlier today about the social determinants of health and some of the linkages to, obviously, the ability to buy more nutritious food but also the issues around stress in a family, stress around employment, stress around child care etc. Based on your experience with your clients, would you also see the proposed changes in Bill 148 leading to overall better outcomes for the individual who is a worker, but also for their families?

Ms. Claire Littleton: Absolutely. The comments that I was making about housing, I think, are very much related to what you're talking about. In particular, my clients live in terrible housing conditions, shocking housing conditions that most of us in this room would be completely appalled to see in terms of maintenance and repairs: rundown places, with a lack of adequate utilities and no hot water, and no heat in the middle of winter. Those are obviously significant social determinants of health as well.

I think that more cash flow for tenants means more money for landlords. It also means more choice for tenants. Hopefully, it also means more resources available to landlords to remedy some of those problems, and I think that would have a very significant impact on social determinants of health as well.

Mr. Peter Z. Milczyn: Finally, what I wanted to ask you is, the changes proposed in Bill 148—the minimum wage increase, the scheduling etc.—coupled with increased child care, coupled with free tuition, coupled with free pharmacare for those 25 and under: Do you see those as really being transformative in the lives of your clients?

Ms. Claire Littleton: Absolutely, and I would just add to that increased social assistance rates. Those are all pieces of a poverty reduction strategy that could have a very significant impact on my clients' lives. They're all essential pieces; none of them is something that can be left out.

Mr. Peter Z. Milczyn: Thank you very much.

Ms. Claire Littleton: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Ms. Littleton. If you would like to present a written submission, it needs to be to the Clerk by 5:30 on Friday, July 21. Thank you.

At this time, we're going to go to the teleconference with Sarah Newbery.

Ms. Newbery, are you on the line? Ms. Newbery, are you on the telephone line? Ms. Newbery? No? We'll wait for a few minutes and see what happens here.

1610

Interjections.

The Vice-Chair (Ms. Ann Hoggarth): All right. At this time we're going to move forward.

FIRST GENERAL PROPERTY RESTORATION SPECIALISTS

The Vice-Chair (Ms. Ann Hoggarth): First General Property Restoration Specialists, Thunder Bay office: If you could come forward with your presentation. If you would state your name for the official record, and then proceed. You have five minutes.

Mr. Frank Mirabelli: Good afternoon, everybody, and thank you for the opportunity to present today. My name is Frank Mirabelli, and I am the owner of an emergency services business in Thunder Bay. We provide first-response services in times of crisis to homeowners.

For example, if your house floods or catches fire in the middle of the night or on a weekend, our teams go to your home immediately, as soon as the police and the fire department let us in. We get to work on fixing the damage, on stabilizing your property. We work closely with insurance companies in putting people back to their original condition before the time of the property loss. Some of the more prominent crises we've responded to include the floods in Thunder Bay in 2012 and, more recently, the wildfires in Fort McMurray.

Let me begin by saying at the outset that we have no major concerns with the majority of the legislation, but we believe one part of the legislation does not take and has not taken into account the true uniqueness of our industry. The specific part of the legislation that I am referring to or highlighting today is minimum pay for being on call.

The proposed legislation reads as follows: "If an employee is on call to work and is either not called to work or is called to work but works less than three hours, the employer shall pay to the employee wages equal to the employee's regular rate for three hours of work."

The emergency service portion of our business is triggered by unforeseeable and unpredictable events, just like municipal fire, ambulance and police. We respond 24/7/365. A small operation such as ours will have, at any point in time, three to four people on call every day to assist property owners to protect their valuable asset: their home.

Currently we pay our team members \$100 per week to be on standby. If they respond to an emergency, they receive a minimum of four hours' pay at the overtime rate, regardless of how long it takes them to complete the task. In a typical year, a team member will receive an additional \$2,000 in standby pay and anywhere from \$3,000 to \$5,000 in hourly pay. But we still pay them for the four hours, even if they only work one, two or three hours.

Some team members with different family arrangements have certain situations in which we always accommodate them—banked time so that they can have a family vacation together or whatever it may be. We arrived at this arrangement through discussions with our teams and in recognition of the fact that being available 24/7 does have an impact on your personal life. I can confidently say that the arrangement that I've just described is very typical of the entire restoration industry, both in Canada and, particularly, in Ontario. We understand that people are the lifeblood of our operations. Helping people at the worst time of their life is what we do.

I have the benefit of also working on a national level, and I am responsible for supervision of offices across Canada, including Ontario. In speaking with our Ontario offices as well as with senior people in the insurance industry, we are concerned about the negative impact the proposed legislation will have on our particular industry. For various reasons, the restoration industry has seen a 25% decline in revenue over the past few years. This proposed legislation will worsen the situation for smaller business owners in our industry. We employ about 15,000 people across Canada and about 6,000 people in Ontario. My office alone in Thunder Bay employs close to 100 people.

Let me try to quantify the effect of article 21.4 on restoration contractors. Number one: Smaller locations may see an erosion of profits. The proposed legislation, as it reads, will have an impact of \$175,000 in additional payroll per office. I've included the mathematical calcu-

lation in my presentation. I'll be honest: Having the capacity to view all offices in Ontario in our industry, I know that there are some smaller operations that don't generate \$175,000 a year in profit—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry, but your time is up.

The first line of questioning will be from the third party. Ms. Forster.

Ms. Cindy Forster: You can use a little of my time to finish. Go ahead.

Mr. Frank Mirabelli: Thank you very much. I'll just paraphrase here.

There are many in my industry who look at this legislation as a last straw and will either close shop or move to the US.

I think the second thing to look at is the health and safety aspect. Small business owners, when backed into a corner, sometimes make wrong decisions. My concern is that you will have situations where people will reduce the amount of on-call staff they have. We have four people on call for a reason—because when they go, we want to make sure that everybody goes home at the end of the shift.

Finally, firms may stop offering 24/7 service altogether.

I want to be completely transparent: This is not about dollars and cents. This is about the uniqueness of our particular industry. Believe me, if we did not look after our people, they would not go out for us at 3 o'clock in the morning to look after homeowners. But our people truly do care.

The legislation has some very good characteristics. However, I would like our industry to be considered as unique.

Thank you.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster?

Ms. Cindy Forster: Thanks for your presentation.

So there would be some days when in fact your employees would do better. If you have a lot of calls in a week—

Mr. Frank Mirabelli: They do very well.

Ms. Cindy Forster: But you're talking about where they have periods of time where you might not have a call for a week—and I think what you're looking for is clarity. If you had somebody on call Monday to Friday, would you be required to pay them three hours for each one of those days, even if you didn't have any work?

Mr. Frank Mirabelli: Yes.

Ms. Cindy Forster: I think that's the question that you're trying to have addressed—because you're paying them a hundred bucks for the whole week.

Mr. Frank Mirabelli: I'm paying them \$100 for the week. If they get called, then it's a bonus for them.

Ms. Cindy Forster: They get overtime for a minimum of four hours.

Mr. Frank Mirabelli: That's right.

Ms. Cindy Forster: Right. I was just trying to clarify that piece.

Does your calculation include the offset of the on-call pay that you pay?

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Mr. Frank Mirabelli: It doesn't include the offset, because there are people right now who have different arrangements with their people. Some people bank time and then they use it at the end of the year. But the actual numerical cost of having three hours a day per person does add up.

Ms. Cindy Forster: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): To the government: MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Mirabelli, for coming in. Again, we're hearing from witnesses with rather unique situations all afternoon, which is great. Because when you try to tailor legislation, you're limited in trying to find a solution for each particular circumstance, so it's great when we hear about these kinds of situations.

Setting aside the on-call rate, do you have any concerns with Bill 148?

Mr. Frank Mirabelli: We've sat down and we've looked at it quite in depth. There are some very good things with respect to the bill, some things that we completely support.

I can tell you that the minimum wage thing—our industry typically doesn't pay minimum wage, but already people are coming to us and saying, "Well, if the minimum wage is going up, what am I getting?" We're having to address that issue right now.

The major thing I wanted to highlight was this impact on our particular industry on the on-call pay.

Mr. Peter Z. Milczyn: I'm not trying to diminish that concern of yours; I just wanted to hear whether you had any other issues with the bill.

Mr. Frank Mirabelli: I appreciate that.

Mr. Peter Z. Milczyn: Do you think that your industry is different than, perhaps, some other sectors where there's the requirement for people being on call or on standby? Is there something unique about your situation and the fact that it's emergency-related work, as opposed to simply some other kind of more regular and predictable employment?

Mr. Frank Mirabelli: Our industry is a bit specialized. We spend a lot of money on training. I can't comment on other industries; I can only comment on mine and the impact that the legislation would have on it.

Mr. Peter Z. Milczyn: Okay. Thank you very much for your presentation today.

Mr. Frank Mirabelli: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): The questions will now move to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, Frank, for joining us today. I want to ask a couple of questions to get some clarification so that I'll understand your position or your concern a little better.

These employees that you're talking about, that we're talking about in Bill 148, who would be required to get a minimum of three hours' pay if they're on call for any time in that 24-hour period: Am I to understand that these are also employees who are working, who have a full-

time job with you doing normal restoration work—non-emergency restoration work—and they're employed otherwise? They're not simply on-call workers.

Mr. Frank Mirabelli: No, they're not on-call workers. They're our tradespeople, our designated emergency staff. It may even be the shop guy.

Mr. John Yakabuski: So most of them would be employed by you on a full-time basis.

Mr. Frank Mirabelli: Currently employed, yes.

Mr. John Yakabuski: They're getting wages otherwise. We're not talking about an industry that has part-time workers and calls them.

I really think the provision of this bill was to protect those people who can be exploited. When you're working part-time and you get a call—if you're on call and you don't get a call, you get nothing. That's not fair either. I think you would agree with me that if someone is expected to put their life on hold for a period of time, they should be compensated for it.

But in your case, these are people who are working otherwise. They're getting a wage from your company or some other company similar to yours. It's just because of the nature of your business—if an emergency happens, you want to be able to respond, as you say, the minute the police or the minute the fire are able to leave that place.

Mr. Frank Mirabelli: That's exactly it.

Mr. John Yakabuski: Okay. Have you got a suggestion for an amendment that would somehow cover the uniqueness of your business? Because I agree with this portion of the legislation, that we have to protect people from—I don't think we should ever have laws that allow a labourer or an employee to be exploited. I think that sometimes, because that has happened in the past, changes get made. But I can also certainly understand your circumstances. Is there an amendment that you think would be appropriate, or would your organization—you represent 15,000 workers, I believe—put forth some kind of amendment?

Mr. Frank Mirabelli: For sure, I can take this back to the people I work with and talk about some sort of amendment that we can propose that, again, is fair to everybody and equitable.

Mr. John Yakabuski: Thank you very much, Frank. My colleague Mr. Fedeli has a question as well.

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: Thank you very much for the presentation. In response to Mr. Milecyn's question, you were talking about what some of the employees are starting to talk about. We received a letter from a restaurateur who said, "I pay my dishwasher \$11 and change an hour and my line cook is 15 bucks an hour. Now that the dishwasher will be making \$15, my line cook wants \$18.50." Is this what you were getting at? Is that where you were going?

Mr. Frank Mirabelli: I had the exact same conversation—save and except the dishwasher and the line cook—about two hours before I came here: If Joe is now making \$15 an hour and he cleans the shop, and I go out and I carry plywood all day, I should be making more

now. If you're bumping him up a dollar, then I should be bumped up a dollar.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation.

Mr. Frank Mirabelli: Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): If you have a further written submission, if you could have it to the Clerk by 5:30 on Friday, July 21.

Mr. Frank Mirabelli: Okay.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

UNIFOR LOCAL 1075

The Vice-Chair (Ms. Ann Hoggarth): At this point I'd like to call Unifor Local 1075: Robin Rickards. If you could please identify yourself for the official record, you have five minutes for your presentation.

Mr. Robin Rickards: Yes. Thank you, Madam Chair. My name is Robin Rickards. I'm with Unifor Local 1075 here in Thunder Bay, out of Bombardier. I'm a shop steward there as well as the chair of the unions and politics committee. I wanted to come before the committee hearings today to speak on behalf of this important legislation.

First, I'd like to thank the government for taking a look and initiating the Changing Workplaces Review. It's important legislation that governs an aspect of everyday life for most people and it has been a long time since we've had a good look at it.

You've had a lot of clinical suggestions, particularly from labour, so I'm going to try to do it a little bit differently and present it from the perspective of a career thus far in progress.

Years ago, when I was going to university, I was working at Radio Shack. I had also enrolled in the Primary Reserve as a reservist, hence the medals. When I did my basic training, I had a great supervisor at Radio Shack, Gary Newman, a great guy. He had no problem letting me take six weeks off during the summer to go do my training. The subsequent summer, the management had changed at the store and I had a supervisor who was primarily concerned about his controllable net profit and looking at ways to tweak it for his benefit. He realized there were no just-cause provisions and there were no reservist-leave provisions so that he could say, "You know what? You're going to have to quit and come back and be rehired, and you won't be eligible for any of the incentive pay, like the spiffs; you won't be eligible for commission. You'll be making straight minimum wage." Of course, I went and did my military training to get my infantry qualification and I said, "You know what? That's your loss, RadioShack," and I managed to find other employment. But it cost RadioShack, no doubt about it, because I'd spent five years there, and I knew what I was talking about.

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When I was in the military—that was my next career—you would encounter different types of leadership. While I was overseas on my last tour, I had an

interesting situation where a couple of the fellows were fooling around, horsing around, and they didn't get along very well. One played a prank on the other fella's kit while he was off on leave, and when he came back, he discovered his kit was a mess. The sergeant major, rather than do any kind of investigation, decided he was going to act unilaterally and collectively punish the entire platoon. Of course, he didn't count on having me there, because the first thing I did was write up my redress of grievance when he said, "You know what? You better get your kit in order for your first inspections." When I presented the redress of grievance, he was livid, to say the least, and he tried to challenge me on the QR&Os and my interpretation of the QR&Os, and unfortunately he couldn't find anything. So what did he do? He took advantage of his position to tell me to submit a 20-page paper by the next morning on the principles of leadership.

When I got to Bombardier, I found myself on the bi-level line, building the commuter cars that you see racing around through southern Ontario, and we had an area where we used saws to custom cut the trim. Of course the company, always trying to save a buck, was using mitre saws that you would get at Home Depot to cut very, very odd-shaped extrusions. Anyone who has ever worked with saws knows that you've got to clamp your work material; otherwise, somebody is going to get hurt. And sure enough, people were getting hurt. In my first four months there on the job, four people were injured. One of the employees had his wrist fractured, and a supervisor told him that if he reported it to health and safety, he'd have to write him up for an unsafe act, even though the employer hadn't provided a means of safely securing that material. You know what the difference with Bombardier was? At RadioShack, I didn't have a union; in the army, I didn't have a union. I had to take a personal stand in those first two instances without the protection of a union to stand up for my rights. And you know what? The reality is that most people are so easily intimidated by their employers that they don't have the wherewithal to do it; they just don't have it. So they will do things that they otherwise shouldn't.

So I'd like to point out that this is important in terms of the need to use card-check, because what kind of an environment is going to be free of that kind of intimidation? If they behave like that, what are they going to do when there's a vote, as well as for first-contract arbitration?

The Acting Chair (Mr. Yvan Baker): Your time is up. Thank you very much. The questioning will go to the government first. I'll pass it over to MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you for coming this afternoon and for sharing your stories, and certainly thank you for your service to our country. We're very proud of that and of you. Thank you.

Mr. Robin Rickards: Well, thank you.

Mr. Peter Z. Milczyn: And you're continuing to serve in other ways.

Mr. Robin Rickards: Yes.

Mr. Peter Z. Milczyn: So on the issue of the proposals in Bill 148 around certification of unions, do you have any specific recommendations of changes to what you see before you?

Mr. Robin Rickards: For decades, card-check worked. It's a fair system that keeps employers from being able to unduly intimidate employees. I think that the provisions should be expanded between the sectors that are currently covered to include all workers in Ontario and make them eligible for card-check certification.

Mr. Peter Z. Milczyn: We heard earlier this morning also on the issue of first-time contracts and the possibility that the labour relations board could refuse arbitration, so I assume you would like to see that changed as well?

Mr. Robin Rickards: Well, let's be fair: Most first contracts, most unionization drives, are driven not necessarily over wages and benefits per se, but more over the rules in the workplace or bullying by management. That's what usually galvanizes the workers to look to unionize. In that kind of environment, where you've had this kind of behaviour that has driven people to seek a union, do you think that that behaviour is not going to continue when it comes to trying to negotiate a contract? It's absurd to think that it wouldn't. So first-contract arbitration is fair.

I mean, let's be fair: Arbitration isn't a win for the union; it's not a win for the company. The whole point of arbitration is to have a neutral hearing of an issue and to decide in as fair and equitable a manner to both parties as is possible. I don't see how that would be anything but a benefit to labour relations in the province.

Mr. Peter Z. Milczyn: As part of what we have before us, it also speaks to better enforcement of the laws. The plan is to hire about 170 new employment standards officers over the next few years, to have more proactive inspections. Do you think that's going to have a positive impact?

Mr. Robin Rickards: While I think that's a progressive element, most inspections are driven by complaints, right? And complaints require that employees know their rights.

One of the most staggering omissions from the bill is that there's no contingent component that ensures that high school students are educated in their rights in the workplace. That was clear in the Changing Workplaces Review. They couldn't have made it in any bolder print that the legislation that governs workplaces is complex; there's a lot of it. Simply having a poster in the bathroom above the urinal, or in the staff room on a corkboard, isn't sufficient to ensure that workers know their rights and responsibilities under the law. It needs to be mandated into the curriculum for Ontario.

Mr. Peter Z. Milczyn: Are you supportive of the increase to the minimum wage, and the provisions around equal pay for part-time work?

Mr. Robin Rickards: So let's be fair: The economic foundation of Ontario is crumbling, and that's the workers. You rebuild a building from the foundation up.

You don't start in the master suite. Absolutely, we need to implement an increase in minimum wage.

Now, there has been a lot of talk about the timeline and stretching out the timeline and so on and so forth. Let's be clear: The private sector has had eight years of essentially stagnant wages. There were four years at \$11 and change, and four years at \$10.25. We had a period where we jumped from \$6 to \$10 over four years. Previous to that, we were stuck at that \$6.85 since 1993. There has been plenty of time for industries to adjust.

The \$15 and Fairness campaign has been around for five years now. So for employers to claim that they're surprised—

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Mr. Peter Z. Milczyn: Thank you very much for coming today.

The Vice-Chair (Ms. Ann Hoggarth): We will move to the official opposition. MPP Fedeli?

Mr. Victor Fedeli: Robin, I want to say thank you very much as well. We had a chance over the lunch hour to spend some time—

Mr. Robin Rickards: Yes.

Mr. Victor Fedeli: I must tell you, that was one of the most interesting conversations I've had in quite some time. I too want to acknowledge your service, as I see from your medals, especially your service in Afghanistan, your three tours.

Mr. Robin Rickards: Yes.

Mr. Victor Fedeli: Thank you for your service. You've done us proud, and you've done yourself and your family proud. Thank you very much.

We also had a good chance to chitchat about our mutual dealings with various agencies of Bombardier. We'll leave those conversations parked for a moment.

Mr. Robin Rickards: Sure.

Mr. Victor Fedeli: We share many of the same thoughts on that. I did want to talk to you about the minimum wage, as we were discussing earlier as well. One of the deputants earlier—I'm not sure if you were here then, or if it was this morning or not—talked about the checkouts at the grocery store. Where there are eight automated checkouts, there are going to be 28 next time. We talked about various home supply firms that already have checkouts. One of the last deputants mentioned, "Well, it's okay. We're still going to need car washes and gas stations." I mentioned that I'm from North Bay—the other Bay—and at most of our car washes and gas stations, we don't see attendants. That's new in the last year and a half. Is this an area of concern to you? Would you think that part of what we could see happening would be the elimination of some of those jobs, when they just say, "All right, enough is enough. I'm doing this." Is that possible?

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Mr. Robin Rickards: Let's be clear: Automation is happening, regardless of what happens with the minimum wage. It has very little to do with the minimum wage. It's going to happen regardless, unless specific

legislation is passed to deal with automation. However, it's not necessarily a bad thing.

What I would say is that when we talk about minimum wage, bear in mind—my girlfriend is a nurse. Prior to getting her full-time job, she worked for a company called Nurse Next Door that hires nurses, RPNs, PSWs. It's the new economy, the gig economy, that we're talking about. The PSWs are making \$11 an hour. The reality is that that's where the growth in the jobs is going to be, particularly as the baby boomers continue to age. That's where a lot of people are going to end up, as they transition from the sectors, and ensuring that there are good health care options available to people is essential. It's going to, in the long run, lower the costs in the system. Making sure that you're able to retain people in those jobs is going to be essential.

With regard to automation, like I say, we've already seen that. The question really is whether or not you want to be able to help people, in our northern areas for instance, to be able to afford a house. You know what? The difference in minimum wage for a single earner in a smaller community like Nipigon means that they'll be able to afford a mortgage payment. There's not a house in Nipigon that goes for over, maybe, \$150,000. So, what, \$750 in earnings? When you look at a minimum wage family, you're looking at being able to afford a house in Thunder Bay, with the increase in disposable income over the course of the year. That has a powerful multiplier effect in the communities, and the business community misses that. They overestimate how bad the fallout is going to be. They underestimate how great the gains are going to be.

I talked with the member from Barry's Bay about Janusz Zurakowski, the old Avro Arrow test pilot. You know, after he retired he went up to Barry's Bay and he set up Kartuzy Lodge. He'd have people visit, and he made his earnings there. The conversation we had was that that was because of rising disposable incomes in the province at that point in time. We've got to try and recreate that magic of the 1950s and 1960s where we saw rising prosperity, because it allowed him to retire from Avro and have a life with his family, and build a community at the same time. That was only because wages were rising and people could afford to travel. If we continue to beggar the least among us, we'll continue to undermine the foundations of our economy.

Mr. Victor Fedeli: I always appreciate the opportunity to chat. Thank you very much.

Mr. Robin Rickards: No problem.

The Vice-Chair (Ms. Ann Hoggarth): We'll now move to Ms. Forster.

Ms. Cindy Forster: Thanks for being here. We heard from at least a couple of people today that in most of these minimum wage jobs are students. I don't know, but in my experience of going into retail stores, going to McDonald's, going to Tim Hortons, I'm not seeing a lot of students. I'm seeing a lot of middle-aged and senior women. I see middle-aged and senior men working in Canadian Tire and Rona, people who used to have jobs

that paid them \$50,000, \$80,000 a year in manufacturing or other sectors and now are working in these retail sectors or the restaurant sector, making minimum wage. Can you comment on that?

Mr. Robin Rickards: Sure. I will, and after I comment, if I could steal a minute or two to address a couple of issues that were missed?

Ms. Cindy Forster: You can.

Mr. Robin Rickards: Let's be fair: I was at the superstore the other day. My girlfriend likes these particular hippie chips, so I'm looking for the hippie chips, and there's a guy stocking the shelf in the chips aisle. He's not a superstore employee; he's what they call an independent contractor. Frito-Lay hires him. He's not an employee; he's an independent contractor. You're seeing this all over the place. You see them stocking the shelves in Canadian Tire. You see them stocking the shelves at superstore. They're completely excluded from the ESA. It's absurd. They're not independent contractors.

We recognize that there are dependent contractors in the LRA, but in the ESA, somehow these people are magically free to decide their fate in the market. It's absurd. They're price-takers. They take what they can get. They're doing it out of desperation, and it's long since past time that we started trying to deal with the systemic ways in which particularly large business—because this has been a fight that has been pitched about small business versus workers, and it's not. It's about workers and small business owners over here—pardon me—getting screwed by big business over here. We've had 30 years, 40 years, of watching small businesses get wiped out in the marketplace, and it wasn't because of minimum wage.

If the minimum wage rises, it's not going to hurt the small businesses. What you see is big organizations discovering loopholes and paying lots of money to legal strategists to find these loopholes that they can create. It's incumbent upon government to close those loopholes. As the people at the bottom benefit, the people at the top will benefit even more. But if you beggar the bottom, eventually the system will cave in on itself, and that is in large measure what we're facing.

I've seen the places where income inequality is allowed to rise unchecked. You do not want Canada to end up like that. There's a reason people will take a vacation out to see Seattle, but they'll have concerns about going down to Alabama for a vacation. The demographics and the social indicators there are telling. Alabama has got no minimum wage. It has no mandatory leave time. It has no provisions for bereavement leave, vacation leave, vacation pay or anything like that. If that were the case, it would be an exemplar and its economy would be booming. It has a labour force participation rate of 57%. When you factor in its unemployment rate, barely 50% of the population is working in Alabama. Is that the kind of model that we want to emulate for Ontario?

I did say I'd take a moment. There are two technical issues that I think should be looked at. One is that the stat

pay calculation needs to change. You've excluded vacation pay.

Let me give you an example from Bombardier, or wherever; it doesn't matter; it could be Walmart. One of the five-year employees gets their three weeks' vacation. They decide that they want to take a Christmas vacation. Maybe they want to go visit the family out west. Guess what happens? They lose three days' pay, because you only base it on the preceding two weeks, so two weeks of that is potentially vacation period. Those earnings aren't calculated to determine their entitlement for the vacation pay. I'm trusting that it was an oversight and that it wasn't intentional, and I hope that as the committee re-examines it, that will be rectified.

The other issue is scheduling. I work at Bombardier. I've got a very strong union, and we can't get the employer to go beyond two days' notice to change schedules. It's chaos for families.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a written submission that you'd like to present, you can get it to the Clerk by 5:30 on Friday, July 21. Thank you, sir.

Mr. Robin Rickards: Thank you, Madam Chair.

THUNDERHOUSE FOREST SERVICES INC.

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be Thunderhouse Forest Services Inc. Good afternoon. If you could please state your name for the official record, and then you may proceed. You have five minutes.

Mr. George Graham: Good afternoon, everyone. My name is George Graham. I'm an Ontario registered professional forester. I have 40 years of experience in boreal Ontario. I'm here today to speak on behalf of Thunderhouse Forest Services, a forestry consulting and contracting firm in Hearst, Ontario.

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I'm seeking special employment standards recognition for certain forestry occupations that the current legislation overlooks and thereby causes unnecessary administrative burden and challenge to carry out the work in Ontario. I will cover why tree-planting and forest assessment occupations require exceptions and special rules similar to seasonal occupations, and why applying an hourly standard causes problems for carrying out this work. I will explain these occupations so that you have a good understanding of the work.

Thunderhouse was started as a business in 1994. Our clients include the forest industry, the Ministry of Natural Resources and Forestry, and private landowners both large and small. We employ 19 full-time college- and university-educated staff in forestry, natural resources and geomatics. Our workforce swells to about 130 with seasonal hiring for tree planting and forest assessments.

I've provided you some photos in the handout. Please humour me. I'm not convinced that the work that we do is well understood by decision-makers, and sometimes a

picture helps. I made this case to the Ministry of Labour and the local MPP before, in 2006. My efforts were unsuccessful.

Both tree planting and forest assessments are limited by seasonal and biological factors. Simply put, trees can't be planted until the frost is out, usually mid-May, and by early July the ground becomes hostile for seedlings to establish. It's roughly eight weeks to get millions of trees planted.

Forest assessments must be completed from mid-June until the end of September, because ecological evaluations depend on identifying the ground flora, which die with frost. We have about 14 weeks to complete that work.

Both occupations are arduous, as you can see from the photographs, and usually in remote locations and outdoors, often during inclement weather. Tree planting requires less skill, and forest assessments are more suited to science or forestry students.

Why is this important? The people doing the work like piecework, which offers an incentive to make good money in a short period of time, and overall much better earnings than minimum wage.

A new tree-planter usually plants about 65,000 trees in eight weeks and earns about \$6,500. An experienced planter in the same time will plant 90,000 to 100,000 trees and make \$9,000 to \$10,000. That's good money for university students.

I'm aware of the requirement to ensure that planters and assessors are paid minimum wage or better. We have a daily quota that must be met. The quota approximates minimum wage.

The point I'm trying to make here is that Thunderhouse could not get five million trees planted in an eight-week season if we paid by the hour. I know from experience that the production rate per planter would drop significantly, to about 600 or 700 trees per day. There are a few examples of hourly paid tree planting to draw on, but they are not competitive projects out for bid.

Planting contracts are awarded within a narrow range of competitive market pricing. Planting is paid by the tree and comes with a deadline. Forest assessments are the same. The work is awarded on a price per sample plot, with seasonal deadlines.

In the handout, I included examples of piecework earnings in planting and assessment, with an approximate translation to an hourly equivalent. It demonstrates that our piecework employees are well paid.

At the start of the day, planters get on a bus and ride to the work site, which can range in size from a few to several hundred football fields. Planters all have different physical abilities and work at their own pace, taking as few or as many breaks as they need.

There is one supervisor for 12 planters, who oversees work in large areas and roams a lot of ground in a day, checking on the planters' coverage and planting quality. The supervisor is not constantly with the 12 planters, who are spread across the work site. The supervisor does

not watch every planter all day to record when they are working and when they take a break.

A similar scenario applies to forest assessment. Employees work in two-person teams. Sometimes they drive from camp to their work site; sometimes they walk; sometimes they paddle and bring their camp along with them.

There is one supervisor for up to 10 teams. The supervisor checks crews regularly, but not daily, to measure the quality of their work. The supervisor does not watch every crew all day to record when they are working and when they take a break.

The Employment Standards Act contains exemptions for hours of work in minimum wage for occupations that share many similarities with tree planting and forest assessments. How is it that seasonal occupations of farming, landscape gardening, growing and laying sod, harvesting fruit and vegetables and the growing of trees and shrubs—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Your time is up. The first round of questioning is to the official opposition. MPP Yakabuski.

Mr. John Yakabuski: Thank you, George, for joining us today.

I've been looking through the bill. Is there a section in the bill that eliminates payment on the basis of piecework?

Mr. George Graham: The challenge in the existing legislation—and the new bill does not address it at all—is that we are required to record hours of work. We are required to demonstrate that we're paying minimum wage. We're required to kick in overtime after certain hours of work. In this occupation, it's very challenging to record hours of work, because the employees don't punch a clock out there. They are very much working at their own speed. They're taking breaks when they want to. We can come up with formulas, but they're very much contrived. Whenever we've been challenged in a labour situation for minimum wage, we are unable to demonstrate exactly to the person when they started that day, when they took their 15-minute breaks, when they took their lunch hour. They're working out in field conditions. It's like farming.

Mr. John Yakabuski: It's a short season.

Mr. George Graham: It's a short season.

Mr. John Yakabuski: As I said to my colleague, it reminds me of tobacco picking. There isn't as much of that anymore because there's a lot less tobacco growing, because they couldn't make a living at it and got into something else. People quit smoking.

Prior to the tabling of this bill, was there any discussion about the unique circumstances surrounding tree planting? Like you say, they're planted in a very short period of time.

I never did go tree planting—when I was a kid, I got offered a couple of times, but it never worked out—but I know lots of people who did. They made scads of money relative to the rest of us, and in time to still get another

summer job. The tree-planting season was over, and they were still able to get a summer job.

What you are asking for is an exemption similar to other industries, other sectors.

Mr. George Graham: Exactly. On the last page of my handout, page 6, I've listed the exemptions that are available for near-farming and farming-like occupations—occupations that these forest reassessments and tree planting are very similar to. I'm seeking the same types of exemptions that are available to the harvesters of fruit, vegetables and tobacco.

Essentially, what it does is it removes the conditions and the connections to hours—recording hours, tracking hours, breaking pay out by hours—and also, very importantly, if you're paying an adequate piecework price, that that is recognized, that somebody who is exerting a reasonable amount of effort would also be making at least minimum wage. That's already enshrined in regulation 285/01 for the harvesters of fruit, vegetables and tobacco.

Mr. John Yakubuski: I saw that your least productive worker still exceeded the minimum wage in the planting season.

Mr. George Graham: That's right. We are required to do that because of the structure and the concerns around working with the minimum wage. We set that minimum quota, and if planters aren't achieving it, we have to let them go, unfortunately, because it leaves us liable, otherwise, to interventions from the Ministry of Labour.

Mr. John Yakubuski: That isn't going to change if they're paid a minimum wage. If they're not planting so many trees in so many hours, you're not going to keep them anyway.

Mr. George Graham: That's right. So we're seeking the same provision that the harvesters of fruit, vegetables and tobacco have, which is—right out of the act—"The employer shall be deemed to comply with subsection (1) if employees are paid a piecework rate that is customarily and generally recognized in the area as having been set so that an employee exercising reasonable effort would, if paid such a rate, earn at least" the amount set out in subsection 5(1), which is the minimum wage.

Mr. John Yakubuski: Regardless of where the minimum wage lands, presumably, you're going to have to adjust your tree rate accordingly.

Mr. George Graham: That's right.

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Mr. John Yakubuski: So nobody's going to get a benefit or injured—they are not going to be helped or harmed based on the minimum wage rate. It's a question of being able to plant trees on a piecework basis—

Mr. George Graham: On a piecework basis. That's right.

The Vice-Chair (Ms. Ann Hoggarth): Time.

Mr. John Yakubuski: Thank you very much for your submission.

The Vice-Chair (Ms. Ann Hoggarth): MPP Forster.

Ms. Cindy Forster: Thanks for your presentation.

So each of these tree planters works independently?

Mr. George Graham: That's right.

Ms. Cindy Forster: So they don't work as a team. There's not—

Mr. George Graham: Well, they're in groups of 12. A crew boss has a group of 12 to supervise. Quite often, they'll team up: Two buddies out there want to work together. They'll plant side by side and talk all day long. We've seen maybe up to three who will work like that. A lot of people like to work alone. But because of the way the land is controlled and the area has to get planted, these people are spread out over large areas, and they cover a lot of ground in a day too. The supervisors themselves are covering many, many hectares in the course of their work. So it's not like a chain gang situation where you've got 12 people lined up and you're marching them across the cutover, watching what they're doing.

Ms. Cindy Forster: I actually remember the days working at the canning factory as a teenager and the abuse that we took from our co-workers on the line who wanted to make the piecework rate that day. If you happened to need a restroom break or something, you tolerated a lot of verbal abuse. So I'm glad to hear that they are working independently and that they get breaks when they need them.

Mr. George Graham: They are free to work at their own pace. It's very physical work. It has been likened to running marathons day after day after day. So a lot of people need a sizable break through the day, and they will curl up in a cozy spot in the sunshine and have a snooze for half an hour. We're not tracking any of that. They're free to do that and we want them to do that, because if that helps them work harder through the afternoon, it's part of the job.

That's why we're looking for that freedom away from the hourly constraints, so that we can continue to do this work. I've been involved in boreal forestry for 40 years. When I came into my career, and even today, in all that time, tree plant was a piecework occupation, and it still is today. I don't see it changing. I'm looking to try to assist us to align with the act better to facilitate the work and for us to continue to be able to employ these university and college students with good-paying jobs.

Ms. Cindy Forster: Right. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): We'll move to the government. MPP Milczyn.

Mr. Peter Z. Milczyn: Thank you, Mr. Graham, for your submission today.

I understand from what you've said that you had tried in the past to get the exemption but were unsuccessful.

Mr. George Graham: That's correct—about 11 years ago.

Mr. Peter Z. Milczyn: Sitting here listening to what you're saying, it makes perfect sense to me, so I can certainly tell you that as parliamentary assistant to the Minister of Labour, I will be taking this back to him, that it's something that makes sense to me.

I did want to ask you your opinion on the other aspects of Bill 148: minimum wage, the provisions around equal pay for part-time work versus full-time work, the scheduling provisions and other provisions in the bill. Do you have any views on those?

Mr. George Graham: I haven't looked at the bill, like, tip to tail in those regards. Most of our employees—other than our seasonal employees, and I don't see any concerns there regarding call-ins and disrupted work schedules, things like that—are still full-time employees working for the period of the seasonal jobs that we have. Our 19 full-time employees work full-time. They are not on shift work; they are on day work, 40 to 44 hours a week. It's not a service sector type business. We're providing technical support service to the forestry sector and natural resources. So I think in those regards we have very good control over our schedule.

Minimum wage: While there will be challenges in connection with tree planting—as a contractor, I will have to be careful how I sharpen my pencil and bid—ultimately, it will be the forest industry that accepts our bid prices. But certainly, if our piecework rates have to go up to make sure that we're still meeting that equivalency, if nothing changes, then there will be a certain squeeze on, and we will have to push our prices upward.

If we have an exemption where piecework is recognized as being equivalent to minimum wage, we're

still going to have to see some adjustment to meet, say, \$15 an hour instead of \$11.40. We can't internally, within our company, absorb that increase; it would have to be passed on. That's what I know.

Mr. Peter Z. Milczyn: Thank you very much for coming in today.

Mr. George Graham: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, sir. If you have a further written submission, if you could have it to the Clerk by 5:30 on Friday, July 21. Thank you for your presentation.

Mr. George Graham: Okay, I will. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): I'd like to thank everyone else too. We've had some very important presentations here today.

There is just one issue that I'd like to discuss with you about Sarah Newbery, who was to be presenting by teleconference. Unfortunately, through no fault of her own, we were not able to hear that presentation due to a technical issue. I wonder if the committee would agree to reschedule her presentation to another meeting this week, perhaps at 12 noon or at 5:30. Is there any objection to that? Everyone's okay with that? Okay, thank you very much, then.

Are there any questions or concerns? At this point, I would like to adjourn the meeting. Thank you.

The committee adjourned at 1706.

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